

## HOUSING AUTHORITY of the County of Los Angeles

Administrative Office 2 Coral Circle • Monterey Park, CA 91755 323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich

Sean Rogan Executive Director

AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, JUNE 22, 2011
12:00 NOON
CDC HEADQUARTERS
2 S. CORAL CIRCLE
MONTEREY PARK, CA 91755
(323) 890-7001

Call to Order

Roll Call

Zella Knight, Chair
Henry Porter Jr., Vice Chair
Val Lerch
Laurence Levin
Adriana Martinez
Alberta Parrish
Benita Pernell

3. Reading and Approval of the Minutes of the Previous Meeting

Regular Meeting of May 25, 2011

- Report of the Executive Director
- 5. Presentation

Community Development Foundation (CDF) Scholarship Presentation – Jennifer Blackwell, CDF Executive Director

Public Comments

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.



#### Closed Session

#### Regular Agenda

8. Adopt Supplemental Resolution Declaring Official Intent to Issue Multi-Family
Housing Mortgage Revenue Bonds for Multi-Family Housing in
Unincorporated Florence-Firestone (District 1)

Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by Slauson Station Apartments, L.P. (Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$7,500,000 to finance the site acquisition and construction of Slauson Station Apartments, a 30-unit multifamily rental housing development located at 1707-1717 East 61st Street in unincorporated Florence-Firestone; authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$7,500,000 for the purposes described herein. (APPROVE).

 Adopt Resolution Declaring Intent to Issue Multi-Family Housing Mortgage Revenue Bonds for Multi-Family Housing in the City of West Hollywood (District 3)

Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the Notice of Exemption for the Courtyard at La Brea project, which was prepared by the City of West Hollywood as lead agency; find that this project will not cause a significant impact on the environment; adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for West Hollywood Community Housing Corporation L.P., a California Limited Partnership, in an amount not exceeding \$8,000,000 to finance the construction and development of Courtyard at La Brea, a 32-unit multifamily rental housing development to be located at 1145-1151 North La Brea Avenue in the City of West Hollywood; authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$8,000,000 for the purposes described herein. (APPROVE)

#### Adopt Resolution Declaring Intent to Issue Multi-Family Housing Mortgage Revenue Bonds for Multi-Family Housing in the City of San Fernando (District 3)

Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the Notice of Exemption for the Mid Celis Apartments project, which was prepared by the City of San Fernando as lead agency; and find that this project will not cause a significant impact on the environment; adopt and instruct the Chair to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for Mid Celis Apartments, L.P., a Limited Partnership, in an amount not exceeding \$5,000,000 to finance the acquisition and construction of a 20-unit multifamily rental housing development to be located at 1422 San Fernando Road in the City of San Fernando; authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$5,000,000 for the purposes described herein. (APPROVE).

#### Adopt Resolution Declaring Intent to Issue Multi-Family Housing Mortgage Revenue Bonds for Multi-Family Housing in the City of San Fernando (District 3)

Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the attached Initial Study/Mitigated Negative Declaration (IS/MND) for the SFCH project, which was prepared by the City of San Fernando as lead agency; find that the mitigation measures identified in the IS/MND for this project are adequate to avoid or reduce potential impacts below significant levels; find that this project will not cause a significant impact on the environment; adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for San Fernando Community Housing L.P., a California Limited Partnership, in an amount not exceeding \$9,000,000 to finance the construction and development of a 62-unit multifamily rental housing development to be located at 131 and 134 Park Avenue and 130, 134 and 140 Jesse Street in the City of San Fernando; authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$9,000,000 for the purposes described herein. (APPROVE)

## 12. Approve a Construction Contract for Roof Replacement at the Villa Nueva Housing Development (District 1)

Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a contract in the amount of \$107,956 to Western States Roofing and Construction to complete roof replacement including all accessories and associated work at the Villa Nueva Housing Development, using \$107,956 in Rental Housing Construction Program (RHCP) revenue allocated by the State of California; authorize the Executive Director to approve contract change orders not to exceed \$10,795 for unforeseen project costs, using the same source of funds and following approval as to form by County Counsel; find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA). (APPROVE)

## 13. Approve a Construction Contract for Phase Two Harbor Hills Housing Development Kitchen Remodel Project (District 4)

Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary terminate a contract in the amount of \$2,220,000 with Cal-City Construction, Inc., to complete the kitchen remodel of 201 units and the Community Center kitchen at the Harbor Hills Housing Development, using Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2011-2012 budget; authorize the Executive Director or his designee to approve contract change orders not to exceed \$444,000 for unforeseen project costs, using CFP funds and following approval as to form by County Counsel; find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA). (APPROVE)

## 14. Approve a Construction Contract for Parking Lot and Sidewalk Improvements at the Harbor Hills Housing Development (District 4)

Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a contract in the amount of \$513,279 with Amtek Construction to complete the modernization of three parking lots, adjacent sidewalks and all associated work at the Harbor Hills housing development, using Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2011-2012 budget; authorize the Executive Director or his designee to approve contract change orders not to exceed \$51,327 for unforeseen project costs, using CFP funds and following approval as to form by County Counsel; find that approval

of the contract is exempt from the provisions of the California Environmental Quality Act (CEQA). (APPROVE)

#### Approve Service Contract for Wireless Broadband Services at the Harbor Hills Housing Development (District 4)

Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a contract with One Economy Corporation, to design, install, and provide network monitoring and maintenance of the system for a term of five years at the sole cost and expense of One Economy Corporation; authorize the Executive Director or his designee to approve a contract with limited warranty and limitation of liability language, which will allow One Economy Corporation, a non-profit organization, to establish broadband availability, affordability and adoption at the Harbor Hills housing development; find that the approval of the contract is exempt from the provisions of the California Environmental Quality Act (CEQA). (APPROVE)

#### 16. Housing Commissioners Comments and Recommendations for Future Agenda Items

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 890-7424, or by e-mail at donna.delvalle@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

# THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES MINUTES FOR THE REGULAR MEETING OF THE LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday May 25, 2011

The meeting was convened at the Palm Apartment Senior Housing located at 59 Palm Avenue, West Hollywood, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Chair Zella Knight at 12:21 p.m.

| ROLL CALL                | Present | Absent |
|--------------------------|---------|--------|
| Zella Knight, Chair      | X       |        |
| Henry Porter, Vice Chair | X       |        |
| Severyn Aszkenazy        | X       |        |
| Val Lerch                | X       |        |
| Laurence Levin           | X       |        |
| Alberta Parrish          | X       |        |
| Adriana Martinez         | X       |        |
|                          |         |        |

#### PARTIAL LIST OF STAFF PRESENT:

Sean Rogan, Executive Director
Emilio Salas, Deputy Executive Director
Maria Badrakhan, Director, Housing Management
Darlene Aikens, Acting Director, Assisted Housing
Deann Johnson, Director, Construction Management

#### **GUESTS PRESENT:**

No guests were present.

#### Reading and Approval of the Minutes of the Previous Meeting

On Motion by Commissioner Porter, seconded by Commissioner Levin, the Minutes of the Regular Meeting of April 27, 2011, were approved.

#### Agenda Item No. 4 - Report of the Executive Director

Deputy Executive Director Emilio Salas reported on the following items:

Mr. Salas introduced the staff for Palm Apartments.

Arlene Black, Area Manager welcomed the Housing Commissioners to the Palm Housing Development. The facility has 129 Units of Senior and Disabled Housing. The property underwent major seismic retrofit and construction in 2000 to the buildings. During the new fiscal year they anticipate to upgrade the elevators, and HVAC (Heating Ventilation Air Conditioning) units in the common area. The parking area will also be re-paved. Ms. Black introduced, Keisha Nathaniel, Property Manager, Luda Rosenberg, Resident Manager, Richard Bosek, Maintenance Supervisor.

Mr. Salas announced that Ms. Benita Pernell will be presented to the BOS on May 31, 2011 for appointment as a new Tenant Commissioner. We have recently sent out our Tenant Talk publication to our Section 8 residents asking for individuals that are interested in becoming a Tenant Commissioner to contact our office for an application. So far we have had a good response and we will be conducting interviews in the near future.

Mr. Salas stated that at the Board of Commissioners meeting held on May 17<sup>th</sup>, 2011, Supervisor Antonovich introduced a motion that was passed to work with County Counsel to amend the county code on the definition of a quorum. Currently the by-laws of the Housing Commission already identifies a quorum as being the majority of members that are seated. We will be working with County Counsel to ensure that the County code reflects the same definition.

Mr. Salas informed the Commissioners that a "Run for Fund" fundraiser was held on May 19, 2011 to raise funds to provide scholarships to our Public Housing and Section 8 residents. Approximately \$6,000 was raised for this cause. A presentation of the scholarship winners will be held at our next Housing Commission meeting.

Mr. Salas announced that our Growing Experience located at the Carmelitos Housing Development has received a donation of 74 naval orange trees and will be hosting a tree planting event on Saturday, June 25, 2011.

Mr. Salas also stated that we will be having a 3 on 3 basketball tournament on Saturday July 23, 2011 at the Harbor Hills Housing Development. The proceeds of this fundraiser will go towards Resident Services Programs.

#### Agenda Item No. 5 Presentation

Program Compliance Investigations Unit - Bob Nishimura, Fraud Supervisor

#### Agenda Item No. 6 Public Comments

Ted Liso, Palm Apartment Tenant – would like to express his gratitude to staff and to the Housing Authority for their maintenance and upkeep of the Housing Development.

#### Regular Agenda

On Motion by Commissioner Aszkenazy, seconded by Commissioner Levin, and unanimously carried, the following was approved by the Housing Commission.

APPROVE THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES FISCAL YEAR 2011-2012 BUDGET AGENDA ITEM NO. 7

- Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution (Attachment A) approving the Housing Authority of the County of Los Angeles (Housing Authority) Fiscal Year 2011-2012 Budget (Budget), which includes revenues and expenditures of \$340,084,600.
- Recommend that the Board of Commissioners adopt and instruct the Mayor sign the related Transmittal Resolution (Attachment B) certifying submission of the Budget by the Board to the U.S. Department of Housing and Urban Development (HUD).
- Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution (Attachment C) approving the cost allocation model developed in conjunction with the Housing Authority's external auditors, Klynveld Peat Marwick Goerdeler (KPMG) in April 2002.
- 4. Recommend that the Board of Commissioners instruct the Executive Director to implement the Budget and take all related actions, including execution of all required documents, for the purposes described herein, following approval as to form by County Counsel.
- Recommend that the Board of Commissioners find that the approval of the Budget is not subject to the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

On Motion by Commissioner Martinez, seconded by Commissioner Aszkenazy, and unanimously carried, the following was approved by the Housing Commission.

#### AGENDA ITEM NO. 8

- 1. Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute, implement, amend and if necessary terminate a JOC for an amount not to exceed a cumulative total of \$2,000,000 with MTM Construction, Inc. to provide maintenance, repair, refurbishment, rehabilitation and other repetitive-type work at various Housing Authority housing developments in an as-needed basis using public housing operating funds, non-conventional funds and Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD).
- Recommend that the Board of Commissioners authorize the Executive Director or his designee to issue work orders to MTM Construction, Inc. under the JOC up to but not to exceed the cumulative total of \$2,000,000.
- Recommend that the Board of Commissioners find that the approval of the JOC is exempt from the provisions of the California Environmental Quality Act (CEQA) because the work includes activities that will not have the potential for causing a significant effect on the environment.

On Motion by Commissioner Porter, seconded by Commissioner Levin, and unanimously carried, the following was approved by the Housing Commission.

APPROVE MEMORANDUM OF UNDERSTANDING WITH THE CITY OF BELLFLOWER FOR HOUSING PROGRAM INVESTIGATIONS (DISTRICT 4)

AGENDA ITEM NO. 9

- Recommend that the Board of Commissioners approve and authorize
  the Executive Director to execute an MOU with the City of Bellflower,
  under which the Housing Authority will provide investigative services
  and receive \$30,000 from the City of Bellflower, for a total contract
  amount of \$30,000, to be effective following approval as to form by
  County Counsel and execution by the parties.
- Authorize the Executive Director to execute amendments to the MOU
  to include minor administrative changes, and to extend the time of
  performance for a maximum of four years, in one-year increments;
  and authorize the Executive Director to incorporate funds received
  from the City of Bellflower into future approved Housing Authority
  budgets, for the purpose described above.
- Recommend that the Board of Commissioners find that approval of the MOU is not subject to the provisions of the California

Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

On Motion by Commissioner Martinez, seconded by Commissioner Levin, and unanimously carried, the following was approved by the Housing Commission.

## APPROVE MEMORANDUM OF UNDERSTANDING WITH THE CITY OF LANCASTER FOR HOUSING PROGRAM INVESTIGATIONS (DISTRICT 5) AGENDA ITEM NO. 10

- 1. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute an MOU with the City of Lancaster, under which the Housing Authority will provide investigative services and receive \$98,685 from the City of Lancaster and \$98,685 in County Economic Development Funds allocated to the Fifth Supervisorial District, for a total contract amount of \$197,370, to be effective following approval as to form by County Counsel and execution by the parties.
- 2. Authorize the Executive Director to execute amendments to the MOU to include minor administrative changes, and to extend the time of performance for a maximum of four years, in one-year increments; and authorize the Executive Director to incorporate funds received from the City of Lancaster into future approved Housing Authority budgets, and to utilize County funds incorporated through the annual budget process, for the purpose described above.
- Recommend that the Board of Commissioners find that approval
  of the MOU is not subject to the provisions of the California
  Environmental Quality Act (CEQA), as described herein, because
  the activities are not defined as a project under CEQA.

On Motion by Commissioner Aszkenazy, seconded by Commissioner Lerch, and unanimously carried, the following was approved by the Housing Commission.

APPROVE MEMORANDUM OF UNDERSTANDING WITH THE CITY OF PALMDALE FOR HOUSING PROGRAM INVESTIGATIONS (DISTRICT 5)

AGENDA ITEM NO. 11

Recommend that the Board of Commissioners approve and authorize
the Executive Director to execute an MOU with the City of Palmdale,
under which the Housing Authority will provide investigative services
and receive \$62,000 from the City of Palmdale and \$62,000 in
County Economic Development Funds allocated to the Fifth
Supervisorial District, for a total contract amount of \$124,000, to be

- effective following approval as to form by County Counsel and execution by the parties.
- 2. Authorize the Executive Director to execute amendments to the MOU to include minor administrative changes, and to extend the time of performance for a maximum of four years, in one-year increments; and authorize the Executive Director to incorporate funds received from the City of Palmdale into future approved Housing Authority budgets, and to utilize County funds incorporated through the annual budget process, for the purpose described above.
- Recommend that the Board of Commissioners find that approval of the MOU is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

On Motion by Commissioner Levin, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission.

APPROVE MEMORANDUM OF UNDERSTANDING WITH THE CITY OF PARAMOUNT FOR HOUSING PROGRAM INVESTIGATIONS (DISTRICT 4)

AGENDA ITEM NO. 12

- Recommend that the Board of Commissioners approve and authorize
  the Executive Director to execute an MOU with the City of
  Paramount, under which the Housing Authority will provide
  investigative services and receive \$30,000 from the City of
  Paramount, for a total contract amount of \$30,000, to be effective
  following approval as to form by County Counsel and execution by
  the parties.
- Authorize the Executive Director to execute amendments to the MOU
  to include minor administrative changes, and to extend the time of
  performance for a maximum of four years, in one-year increments;
  and authorize the Executive Director to incorporate funds received
  from the City of Paramount into future approved Housing Authority
  budgets, for the purpose described above.
- Recommend that the Board of Commissioners find that approval of the MOU is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

Agenda Item No. 13 – Housing Commissioner Comments and Recommendations for Future Agenda Items Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

#### <u>Agenda Item No. 13 – Housing Commissioner Comments and</u> Recommendations for Future Agenda Items

Commissioner Aszkenazy apologized for being late. He stated that the presentation provided during the meeting was very informative.

Commissioner Lerch apologized for being late. He stated that he was very happy with the presentation provided during the meeting.

Commissioner Parrish stated that the presentation provided was very interesting and informative. Staff does a great job.

Commissioner Porter stated that 3 of the Housing Commissioners attended a Commissioner Leadership Conference held at the Dorothy Chandler Pavilion on May 12, 2011. He suggested that in the future, a member of HACoLA staff present at the conference will be beneficial towards better communication and technology.

Commissioner Levin stated that it was a good meeting and good presentation. He also suggested that a news article be provided highlighting Section 8 and Public Housing family or household success stories. He also asked about how payments were made to Section 8 landlords.

Mr. Salas responded that the majority of the payments have been made through direct deposit for over a year.

Commissioner Martinez apologized for being late. She stated that it was great to see her fellow Commissioners. She felt that the presentations were very helpful and informative.

Commissioner Knight thanked staff for their work and for the presentation.

On Motion by Commissioner Porter the Regular Meeting of May 25, 2011, was adjourned at 2:10 pm.

Respectfully submitted,

SEAN ROGAN
Executive Director

Secretary -Treasurer

#### **Housing Authority - County of Los Angeles**

June 22, 2011

FOR YOUR INFORMATION ONLY

TO:

Housing Commissioners

FROM:

Margarita Lares, Director, Assisted Housing Division

RE:

FSS PROGRAM UPDATE - MAY 2011

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to assist Public Housing residents and Housing Choice Voucher Program participants achieve economic independence and self-sufficiency.

Activities Applications Received RECRUITMENT Applications Sent New FSS Participants **ENROLLMENTS** Participants Terminated from FSS: Contract Expired Participant Terminated from FSS: Port to another PHA **TERMINATIONS** MEETINGS SASSFA Partnership monthly meeting Hub Cities Partnership semi-monthly meeting WORKSHOPS SASSFA Partnership meeting **Program Presentations** Hub Cities Partnership meeting 1 1 HACOLA Special Program presentation Disseminated Credit Repair Informational Packets Money Smart Workshop Disseminated Budget Informational Packets Job referrals from the employment network job board 27 REFERRALS **Educational Facilities** WorkSource Center employment workshops and job fairs Graduation Ceremony graduating participants from GRADUATION program Pending Graduation

If you have any questions, please feel free to contact me at (562) 347-4837.

ML:MP:AS:dt

#### FAMILY SELF-SUFFICIENCY (FSS) REPORT SUPPLEMENT

Listed below are descriptions of frequently used language in the monthly FSS Report.

- SASSFA-Acronym for Southeast Area Social Services Funding Authority. They
  oversee all the funding for Worksource Centers, who provide job training, job
  placement, and skill assessment. We have a partnership with them, which in turn
  benefits our clients by providing services that we would not be able to provide on
  our own. There are about 75 Worksource Centers located in Southern California.
- 2. The Employment Network Job Board is located in the Family Self-Sufficiency department of the Assisted Housing Division located at 12131 Telegraph Road, Santa Fe Springs, CA and is a compilation of job leads, job requests and training information supplied by our various partnered agencies and is updated on a biweekly basis. The network board may also include referrals to other types of services, such as job fairs, resume preparation or social services. All these resources are shared with FSS participants.
- 3. Emergency Transportation Assistance refers to bus tokens issued by FSS staff to FSS participants who are having short term transportation problems. This would include those who have started a new job and need transportation assistance until they receive a pay check; those who need assistance in order to get to a job interview; those who are starting school and may not have been able to make arrangements to carpool prior to enrollment; those who have had a temporary transportation emergency, such as a automobile accident or auto break down. Part of this assistance may also include referrals to other agencies which may have bus tokens or passes available.

#### **Housing Authority - County of Los Angeles**

FOR YOUR INFORMATION ONLY

June 22, 2011

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director

SUBJECT: STATUS OF THE COMMUNITY DEVELOPMENT BLOCK GRANT-

RECOVERY (CDBG-R) PROGRAM, FUNDED BY THE AMERICAN

RECOVERY AND REINVESTMENT ACT OF 2009

The Community Development Block Grant (CDBG) Division is closely monitoring CDBG-R subrecipients to ensure that they spend all of their allocated funds by June 30, 2012.

We are currently pacing at an appropriate level: as of June 9, 2011, \$5,592,853.54 (71.2%) of the total \$7,853,698.20 under contract has been expended. To ensure that subrecipients meet all of the aforementioned grant requirements, we continue to closely monitor their performance. Following are major actions taken since the last report:

- To date, 39 (59%) of the 66 projects are completed. Some of these were completed below budget, and the excess undisbursed funds were recaptured and will be reallocated to existing CDBG-R activities.
- In order to fully expend the grant funds, as projects are completed and closed out, any remaining undisbursed funds are allocated to other ongoing CDBG or CDBG-R projects that can use the additional funding, and that are in full compliance with the grant requirements.
- CDBG staff is closely monitoring low-performing agencies and providing them with requisite technical assistance to ensure that they adhere to their required corrective actions which include: (a) submittal of any delinquent reimbursement requests; and (b) adherence to the project implementation and expenditure target dates stated in their action plans.

TG:AC:ec

H://TG/ARRA/ARRA Status Report For CDBG-R (As of June 2011)

FOR YOUR INFORMATION ONLY

June 22, 2011

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director

SUBJECT: STATUS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT

OF 2009 HOMELESSNESS PREVENTION AND RAPID RE-HOUSING

(HPRP) PROGRAM

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is a collaborative effort among the Community Development Commission-Community Development Block Grant Division (CDC-CDBG), the County's Chief Executive Office, implementing County Departments, local Non-Profit Organizations, and the Los Angeles Homeless Services Authority (LAHSA).

Actions since the last report include the following:

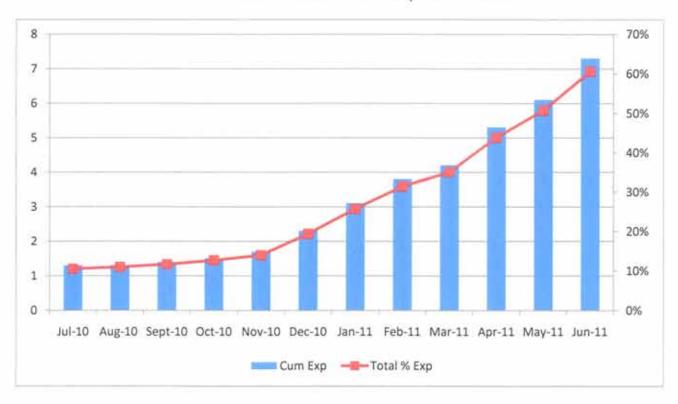
- As of June 8, 2011, \$7,389,625 (60.59%) of the \$12,197,108 budget has been expended (see attached chart).
- Our HPRP agreement with HUD requires that we expend 60 percent of the funds by August 18, 2011 and we have achieved this mandate two (2) months in advance!
- The HPRP has served 1,606 households through May 31, 2011.
- . The next HPRP monthly partner meeting will be held on June 14, 2011.
- CDC-CDBG will be collaborating with our partners over the next few months to develop a protocol for closing out the program.

TG:AC:ec

H://TG/ARRA/ARRA Status Report For HPRP(As of June 2011).docx

Attachment

#### HPRP CUMULATIVE EXPENDITURES, IN MILLIONS



| Month   | Cum | Exp          | Total % Exp |
|---------|-----|--------------|-------------|
| Jul-10  | \$  | 1,258,444.73 | 10.49%      |
| Aug-10  | \$  | 1,302,795.89 | 10.99%      |
| Sept-10 | \$  | 1,424,267.03 | 11.68%      |
| Oct-10  | s   | 1,548,014.88 | 12.69%      |
| Nov-10  | \$  | 1,703,129.97 | 13.96%      |
| Dec-10  | S   | 2,363,254.90 | 19.38%      |
| Jan-11  | s   | 3,137,110.79 | 25.72%      |
| Feb-11  | s   | 3,825,665.90 | 31.37%      |
| Mar-11  | S   | 4,274,043.56 | 35.04%      |
| Apr-11  | \$  | 5,340,295.92 | 43.78%      |
| May-11  | \$  | 6,179,581.90 | 50.66%      |
| Jun-11  | 5   | 7,389,624.83 | 60.59%      |

#### **Community Development Commission**

FOR YOUR INFORMATION ONLY

May 31, 2011

TO:

Each Supervisor

FROM:

Sean Rogan, Executive Director

SUBJECT:

UPDATE ON THE PURSUIT AND IMPLEMENTATION OF FUNDING MADE

AVAILABLE IN H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT

ACT (ARRA) OF 2009

On March 31, 2009, the Board of Supervisors (Board) requested that the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) report on the efforts to apply for, or take the necessary steps to accept, each category of funding contained within ARRA that the CDC/HACoLA is eligible to receive, either by formula or by competitive grant application. In all, the CDC/HACoLA was awarded \$33,603,148 of the \$114,312,431 applied for.

#### **Funding Awarded**

#### PUBLIC HOUSING CAPITAL FUND (CF)

Funding Amount: \$7,401,512 (by formula)

Award of Funds: On March 31, 2009, the Board of Commissioners approved a motion to accept the grant funds, and funding became available to the HACoLA on May 14, 2009.

Use of Funds: The funds are being used for security improvements, energy efficiency work measures, preventive maintenance, and general improvements at 12 public housing developments comprised of 2,500 public housing units. As a direct result of CF formula activities, the HACoLA has reported a total of 73 full-time equivalent jobs (that were created or retained) through the 3<sup>rd</sup> Quarter of Program Year (PY) 2010-2011 to FederalReporting.gov.

Expenditure Levels: As of May 24, 2011, the HACoLA had expended \$7,146,693 of the

\$7,401,512 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year, expend 60% of the funds in 2 years, and complete 100% of the fund expenditures in 3 years. The HACoLA has met the mandatory obligation deadline.

Funding Amount: \$5,924,000 (Applied for \$22,399,000 by competition.)

Award of Funds: On June 22, 2009, the HACoLA applied for \$16,475,000 in funding for improvements addressing the needs of the elderly and/or people with disabilities and public housing transformation. Additionally, on July 21, 2009, the HACoLA applied for \$5,924,000

in funding for energy efficient/green community projects.

Use of Funds: The HACoLA was only awarded funding in the 'Creation of an Energy Efficient Green Community' category in the amount of \$5,924,000. Funds were granted on September 29, 2009, and are being used at the Nueva Maravilla housing development to reduce energy costs, generate resident and HACoLA energy savings, and reduce greenhouse gas emissions attributable to energy consumption. A total of 28 full-time

Each Supervisor May 31, 2011 Page 2

equivalent jobs were created or retained through the 3<sup>rd</sup> Quarter PY 2010-2011 and have been reported to FederalReporting.gov.

Expenditure Levels: On December 1, 2009, the Board approved the acceptance of the funds. As of May 24, 2011, the HACoLA had expended \$2,477,135 of the \$5,924,000 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year of the date in which funds become available for contracts. The U.S. Department of Housing and Urban Development (HUD) requires the HACoLA to use at least 60% of the funds within 2 years and 100% of the funds within 3 years. The HACoLA has met the mandatory obligation deadline.

#### COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R)

Funding Amount: \$8,080,528 (by formula)

Award of Funds: The CDC submitted an amendment to the CDBG PY 2008 Action Plan (as required by ARRA) on June 5, 2009, after receiving approval from the Board on June 2,

2009. The CDC received the CDBG-R Grant Agreements on August 26, 2009.

Use of Funds: The CDC worked with the agencies affected by CDBG/ARRA regulations and submitted a final list of projects for approval to HUD on August 13, 2009, and the Board on August 18, 2009. Both HUD and the Board approved the list for the CDC's CDBG-R Program. Project activities include public improvements, housing rehabilitation, economic development, public services, and administration. During the 3<sup>rd</sup> Quarter of Fiscal Year (FY) 2010-11, the following activities were completed: rehabilitation of 124 housing units; economic development activities assisting 1 business serving an area with 43,594 residents; and construction on 2 public improvement projects, including 1 public facility serving a predominantly low- and moderate-income school population and sidewalk improvements serving an area with 7,160 residents. In addition, a total of 1,137 jobs have been created or retained, which corresponds to 104.53 full-time equivalent positions to date.

The CDC will reallocate funds that have been returned due to recapture for lack of expenditure or progress on projects. Funds will be reprogrammed into existing CDBG or CDBG-R activities that are in need of additional funding.

Expenditure Levels: As of May 24, 2011, the CDC had expended \$5,503,633. Provisions: The CDC must use all CDBG-R funds by September 30, 2012.

#### HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

Funding Amount: \$12,197,108 (by formula)

Award of Funds: The CDC submitted a completed application to HUD on May 18, 2009, which was subsequently approved the following June. Trainings on reporting, program monitoring, and general implementation were held for the applicable County Departments on August 19, 2009, and the CDC received the HPRP Grant Agreements on August 20, 2009.

Use of Funds: Implementation of HPRP began on October 1, 2009; and the Departments of Public Social Services, Consumer Affairs, Community and Senior Services, and the Los Angeles Homeless Services Authority (LAHSA) have been working collaboratively to deliver Each Supervisor May 31, 2011 Page 3

assistance to those in need. In addition, Neighborhood Legal Services began offering legal assistance and representation to persons and families with unlawful detainers on November 1, 2009.

On August 31, 2010, the Board of Commissioners gave approval for 3 non-profit organizations (People Assisting the Homeless, Volunteers of America, and Union Station Homeless Services) to receive funding to provide HPRP services, and added 19 previously unserved cities that did not receive Federal or State HPRP funds within the County. We continue to provide training and guidance to County Departments and non-profit staff for consistent service delivery to those in need. We are actively monitoring the progress of these activities to ensure compliance with the requirements. Contract amendments to allow for time extensions to December 31, 2011, were processed to allow for the full expenditure of grant funds.

The HPRP workgroup meets monthly to communicate concerns, provide updates, and to problem solve in order to maintain progress with the program.

The number of clients assisted continues to increase. From program start through March 31, 2011, 2,839 persons from 1,338 households have been assisted. (This number is based on the data entered into the Homeless Management Information System (HMIS) on the number of people served.) Further, from program start, a total of 807 jobs have been created or retained, which corresponds to 126.89 full-time equivalent positions as of the 3<sup>rd</sup> Quarter of PY 2010-2011.

Expenditure Levels: As of May 24, 2011, the CDC had expended \$6,510,488.

Provisions: HUD requires that 60% of the funds be used by August 18, 2011 and 100% by August 1, 2012.

#### Unsuccessful Grant Applications

#### GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING

Funding Amount: Applied for \$2,260,000 by competition.

Award of Funds: The HACoLA submitted applications for the Kings Road and Lancaster Homes Housing Developments on June 15, 2009. The HACoLA did not receive this grant.
Use of Funds: Had the HACoLA been awarded, the funds would have been used for the modernization and rehabilitation of the Kings Road and Lancaster Homes developments.

JUVENILE JUSTICE AND CRIME PREVENTION ACT PROGRAM (JJCPA)/EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM

Funding Amount: Applied for \$974,283 by competition.

Award of Funds: The CDC submitted an application on April 27, 2009. The CDC did not receive this grant.

Use of Funds: Had the CDC been awarded, the funds would have been used to support existing JJCPA programs.

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#### NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2)

Funding Amount: Applied for \$61,000,000 by competition.

Use of Funds: Had the CDC been awarded, the funds would have been used to supplement the NSP1 program, which includes the HERO program and Rental Infill Sites activities for tenants below 50% of the area median income (AMI).

If you have any questions, please contact me at (323) 890-7400, or Terry Gonzalez, Director, CDBG Division, at (323) 890-7150.

SR\TG\SH\nm
K\CDBG COMMON\GR-PIARRA Board Memo\2011\May '11 ARRA Memo.doc

#### Attachment

c: Each Deputy
Brence Culp, Chief Deputy Chief Executive Officer, Chief Executive Office
Ellen Sandt, Deputy Chief Executive Officer, Chief Executive Office
Kathy House, Assistant Chief Executive Officer, Chief Executive Office
Sachi A. Hamai, Executive Officer/Clerk Board of Supervisors
Lisa Rizzo, Principal Analyst, Chief Executive Office
Scott Wiles, Special Assistant, Chief Executive Office
Libby Boyce, Homeless Services Coordinator, Chief Executive Office

| 1 Capital Fund (formula) 2 Capital Fund (competitive) - Disabilities Category | ARRA GRANT OPPORTUNITY | AGENCY | \$ APPLIED FOR | AWARDED         | GRANT<br>AGREEMENT* |
|---|------------------------|--------|----------------|-----------------|---------------------|
| Capital Fund (competitive) - Disabilities                                     |                        | HUD    | \$7,401,512    | \$7,401,512     | Yes                 |
|   | Category               | HUD    | \$9,235,000    | Did Not Receive | No                  |
| 3 Capital Fund (competitive) - PH Transformation                              | rmation                | HUD    | \$7,240,000    | Did Not Receive | No                  |
| Capital Fund (competitive) - Green Technology                                 | hnology                | HUD    | \$5,924,000    | \$5,924,000     | Yes                 |
| 5 Community Development Block Grant -   | - Recovery             | HUD    | \$8,080,528    | \$8,080,528     | Yes                 |
| 6 Neighborhood Stabilization Program 2  |                        | HUD    | \$61,000,000   | Did Not Receive | No                  |
| 7 Homeless Prevention and Rapid Re-Housing Program                            | using Program          | HUD    | \$12,197,108   | \$12,197,108    | Yes                 |
| 8 Green Retrofit Program for Multifamily Housing                              | Housing                | HUD    | \$2,260,000    | Did Not Receive | No                  |

No. 2

Did Not Receive

\$974,283

8

Edward Byrne Memorial Competitive Grant

**Total Awarded Under ARRA** 

\$33,603,148

"Grant Agreement Received - Funds available for drawdown at U.S. Treasury.

FOR YOUR INFORMATION ONLY

From: Elisa Vasquez

Monday, June 06, 2011 11:33 AM Sent:

Directors/Managers To:

Blair Babcock; Daniel Rofoli; Debra Solis; Elisa Vasquez; Geoffrey Siebens; Gloria Cc:

> Ramirez; Grace Thamawatanakul; Jacqueline Rodarte; Lynna Ochoa; Marcie Chavez; Meiwen Fang; Nicholas Teske; Pat Case; Raymond Webster; Robin

Pointer; Samantha Harrison

Subject: Legislative Update

Hello.

Below please find an update on State and Federal legislative activity of interest to the CDC. Please let me know if you have any questions.

#### California's Fiscal Year (FY) 2011-2012 Budget

On June 2, State Controller John Chiang concluded that lawmakers will lose their salaries and per diem payments if they fail to approve a balanced budget by June 15. The budget bill the Legislature adopted in March, he said, is insufficient to satisfy Proposition 25, the measure voters approved last year to dock lawmaker pay when the budget is late. The Legislature passed a budget bill in March, but it closed only part of the deficit, and the state Constitution requires that the state budget be balanced.

#### State Legislation

Last Friday, June 3, marked the last day that any legislation which costs the State money can pass out of the fiscal committee in its house of origin (either the Senate or Assembly Appropriations Committee). There are 116 State bills currently being monitored by the IGR Unit, with particular attention being given to the current redevelopment reform bill (AB 1250- Alejo), and the Vernon disincorporation bill (AB 46- Perez), which was transferred from the Assembly to the Senate on May 19, and awaits assignment to a Senate Policy Committee. Further, HACoLA's Juvenile Justice Crime Prevention Act funding is currently at risk as continued funding is contingent upon the passage of the Vehicle License Fee (VLF) tax extension. The County's Department of Probation is a direct recipient of the grant funding. Should the tax extension fail, it will be up to Probation to determine how and if, they can continue to fund its sub-recipients, such as HACoLA. However, there no deadline, and no certainty that the extension will be approved by the legislature or put to a vote by the people.

#### Congress and the Fight over the Federal Fiscal Year (FFY) 2012 Budget

Republicans and Democrats are still in a standoff on raising the nation's debt limit. Earlier last week, the House held a vote on HR 1954, a debt limit increase bill, to force members of Congress to take a stance on the debt limit issue. Obviously it failed passage. House Republicans then met with President Obama on June 1, 2011, to further discuss obstacles surrounding the debt limit debate. Both sides agreed that they wanted to strike a deal this month, rather than pressing the early August deadline. Once the debt issue has been settled. Congress will turn its attention back to the FFY 2012 budget.

Meanwhile, the House T-HUD Appropriations Subcommittee will meet July 14, 2011, to mark-up HUD's budget for FFY 2012. We're hearing that HOME and CDBG are being targeted for cuts, and have spent the past month drafting letters and getting our advocacy tools ready for action. The House has already proposed a 13.9% cut in funding for HUD in FFY 2012. The Senate has not released their counter-proposal.

#### HOME Program Scrutinized in the Washington Post

On May 15 and 16, 2011, the Washington Post ran front-page articles reporting on delayed and

abandoned developments funded by the HOME Investment Partnerships program. This incited uproar in the housing community and Congress, which has lead to much attention over the past month. Our own Executive Director even wrote a strongly worded letter to the newspaper. Then, last Friday, the House Financial Services Committee held a hearing focused on the HOME program. HUD Assistant Secretary Mercedes Márquez was there to present a spirited defense.

We'll keep monitoring and report on these and other legislative matters of impact to the CDC.

#### Elisa

Elisa E. Våsquez, Manager Intergovernmental Relations/Public Information Community Development Commission/ Housing Authority of the County of Los Angeles 2 Coral Circle Monterey Park, CA 91755

phone: 323.890.7415 fax: 323.890.8580

#### Disclaimer:

PLEASE NOTE: This e-mail, and any attachments, contains information that is, or may be, covered by electronic communications privacy laws, and is also confidential, private, privileged and proprietary in nature and is solely transmitted for the purposes of the intended recipient(s). If the reader of this message is not an intended recipient, or if this message has been inadvertently directed to your attention, you are hereby notified that you have received this message and any attached document(s) in error and that any review, dissemination, distribution, or copying of this message is strictly prohibited. If you have received this message in error, please notify us immediately by return e-mail and delete and destroy all copies of the original message. You are hereby notified that CDC/HACoLA does not intend to waive any privilege or privacy rights that might ordinarily attach to this communication. Thank you for your cooperation.

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FOR YOUR INFORMATION ONLY

From: Elisa Vasquez

Sent: Wednesday, June 15, 2011 5:36 PM

To: Directors/Managers

Cc: Blair Babcock; Daniel Rofoli; Debra Solis; Elisa Vasquez; Geoffrey Siebens; Gloria

Ramirez; Grace Thamawatanakul; Jacqueline Rodarte; Lynna Ochoa; Marcie Chavez; Meiwen Fang; Nicholas Teske; Pat Case; Raymond Webster; Robin Pointer; Samantha

Harrison

Subject: Today's State Budget Hearings

During today's State budget hearings, the Senate voted in favor of the elimination of redevelopment by a vote of 21/15 on AB 26x, establishing prohibitions on redevelopment agencies to incur any new indebtedness, freezing all redevelopment activity, dissolving redevelopment agencies, and establishing successor agencies are all carried over from the previous bills. The deadline for enactment of the elimination is October 1, 2011.

The Senate also passed by a vote of 21/16 the companion bill (AB 27x), to exempt from elimination redevelopment agencies if they perform certain tasks and agree to make specified payments to stabilize school funding in communities. Initial rough estimates indicate that the CDC could face a possible \$1.4 million payment in FY 11-12; and \$350,000 in FY 12-13. Payments for all subsequent years will increase or decrease based on the CDC's share of total statewide tax increment.

The provision sparing community development commissions from dissolution was carried over in the legislation as well, but an additional sentence was added: "For those other non-redevelopment purposes, the community development commission derives its authority solely from federal and local laws, or from state laws other than the Community Redevelopment Law." We do not believe this provision will impact the operations or existence of the CDC.

The Assembly concurred with the Senate vote on both bills and both bills will have clean-up legislation introduced at a later date. These bills are now with the Governor who has until June 30<sup>th</sup> to sign or veto.

Further details on the impact of both bills, plus the overall impact on JJCPA and on other elements of the budget bills will be forthcoming.

Elisa



## HOUSING AUTHORITY of the County of Los Angeles

Administrative Office 2 Coral Circle • Monterey Park, CA 91755 323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

ADOPT SUPPLEMENTAL RESOLUTION DECLARING OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN UNINCORPORATED FLORENCE-FIRESTONE (DISTRICT 1) (3 VOTE)

#### SUBJECT

This letter recommends that the Board adopt a Resolution declaring its official intent to issue Multifamily Housing Mortgage Revenue Bonds for Slauson Station, a 30-unit multifamily project. The Bonds will finance site acquisition and construction for Slauson Station, which will be located at 1707-1717 East 61st Street in unincorporated Florence-Firestone.

#### IT IS RECOMMENDED THAT YOUR COMMISSION:

- Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by Slauson Station Apartments, L.P. (Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$7,500,000 to finance the site acquisition and construction of Slauson Station Apartments, a 30-unit multifamily rental housing development located at 1707-1717 East 61st Street in unincorporated Florence-Firestone.
- Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond



allocation in an aggregate amount not exceeding \$7,500,000 for the purposes described herein.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve a Resolution by the Housing Authority declaring its intent to issue Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$7,500,000, and to authorize the Executive Director to apply to CDLAC for a private activity bond allocation in the same amount, in order to finance the site acquisition and construction of Slauson Station Apartments.

#### FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Project, to be located at 1707-1717 East 61st Street in unincorporated Florence-Firestone, will be a three-story apartment building with five one-bedroom units, 14 two-bedroom units and 11 three-bedroom units. Four of the units will be reserved for households with incomes that do not exceed 30% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development. Nine of the units will be reserved for households with incomes that do not exceed 35% of AMI, and sixteen units will be reserved for households with incomes that do not exceed 50% of AMI. The affordability requirements will remain in effect for 55 years. The manager's unit will have no affordability requirements.

Adoption of the Resolution by the Board announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds is required to establish a base date after which costs incurred by the Developer may be included in the construction and permanent financing obtained pursuant to issuance of the tax-exempt bonds. The Resolution is also required to complete the Housing Authority's application to CDLAC.

The Housing Commission previously recommended approval of the proposed action at its meeting on November 19, 2008. On December 2, 2008, the Board adopted a Resolution declaring the intent to issue Multifamily Housing Mortgage Revenue Bonds in the amount of \$6,800,000.

Due to unfavorable financing terms, the issuance of the bonds was postponed, and the Project has not been completed. High interest rates and the general downturn in the housing market have also impeded project completion. We are presenting this resolution in order to supplement the original resolution dated December 2, 2008. This supplemental Resolution will increase the Bond allocation amount from \$6,800,000 to \$7,500,000 to meet market challenges. It will also allow the Developer to incur additional reimbursement expenditures within 60 days prior to the adoption of this resolution and prior to the issuance of indebtedness for the purpose of financial costs associated with the project on a long term basis.

On February 18, 2011, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel.

#### ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. This action is also not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

The Community Development Commission prepared an Environmental Assessment for this project pursuant to the requirements of NEPA. Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Certifying Official of the Community Development Commission on August 2, 2005. Following the required public and agency comment period, the U.S. Department of Housing and Urban Development issued a Release of Funds for the project on August 23, 2005.

Approval of the Environmental Assessment/Mitigated Negative Declaration, including the Mitigation and Monitoring Plan, by the Board of Commissioners on May 2, 2006 and filing of the Notice of Determination satisfies CEQA requirements.

#### IMPACT ON CURRENT PROJECT

The proposed action is a necessary step to provide bond financing for the Project, which will retain the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

SEAN ROGAN Executive Director

Enclosures

## RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES SUPPLEMENTING ITS ORIGINAL OFFICIAL DECLARATION OF INTENT TO UNDERTAKE THE FINANCING OF A MULTIFAMILY HOUSING PROJECT AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue and sell mortgage revenue bonds for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, Slauson Station Apartments L.P., a California Limited Partnership (or an affiliate or assign) (the "Borrower"), has requested that the Authority issue and sell its mortgage revenue bonds pursuant to the Act to provide financing for the acquisition and construction of a multifamily rental housing development consisting of 30 units to be located at 1707-1717 East 61<sup>st</sup> Street, in unincorporated Los Angeles County (the "Project"); and

WHEREAS, this Board of Commissioners of the Authority (the "Board") hereby finds and declares that it is necessary, essential and a public purpose for the Authority to finance multifamily housing projects pursuant to the Act, in order to increase the supply of multifamily housing in Los Angeles County available to persons and families within the income limitations established by the Act; and

WHEREAS, as an inducement to the Borrower to carry out the Project, this Board desires to supplement the resolution adopted December 2, 2008 (the "Original Inducement Resolution") and to authorize the issuance of mortgage revenue bonds by the Authority to finance the Project (the "Bonds") in a principal amount not to exceed \$7,500,000; and

WHEREAS, the Authority, in the course of assisting the Borrower in the financing of the Project expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of the Original Inducement Resolution and may incur additional Reimbursement Expenditures within 60 days prior to the adoption of this Resolution and prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California (the "Government Code") governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue multifamily housing mortgage revenue bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application with the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act.

#### NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- The above recitals, and each of them, are true and correct.
- 2. This Board hereby determines that it is necessary and desirable to provide financing for the Project by the issuance and sale of mortgage revenue bonds pursuant to the Act and hereby authorizes the issuance and sale of the Bonds by the Authority in aggregate principal amounts not to exceed \$7,500,000 (which amount has been increased from the Original Inducement Resolution). This action is taken expressly for the purpose of supplementing the Original Inducement Resolution and inducing the Borrower to undertake the Project, provided that nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any officer, agent or employee of the Authority will grant any approval, consent or permit which may be required in connection with the acquisition and construction of the Project or the issuance of the Bonds.
- 3. The issuance and sale of the bonds shall be upon such terms and conditions as may be agreed upon by the Authority and the Borrower and the initial purchasers of the Bonds; provided, however, that the Bonds shall not be sold or issued unless specifically authorized by the subsequent resolution of this Board.
- 4. The Authority affirms the Original Inducement Resolution as to all matters set forth therein. This Resolution supplements the Original Inducement Resolution and is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations. In that regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the Project.
- 5. The proper officers of the Authority are hereby authorized and directed to apply to CDLAC for a private activity bond allocation for application by the Authority to the issuance the Bonds for the Project in an amount not to exceed \$7,500,000, to collect from the Borrower an amount equal to the performance deposit required by CDLAC and

to certify to CDLAC that such amount has been placed on deposit in an account in a financial institution.

- 6. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by this Board in the manner provided by law prior to the sale thereof.
  - 7. This Resolution shall take effect immediately upon its adoption.

[Remainder of page intentionally left blank]

| PASSED AND ADOPTED by the Bo<br>the County of Los Angeles, State of Californi | oard of Commissioners of the Housing Authority of a, this 5 <sup>th</sup> day of July, 2011, by the following vote: |
|---|---|
| AYES:   |   |
| NOES:   |   |
| ABSENT:   |   |
| ABSTAIN:  |   |
|   | MAYOR MICHAEL D. ANTONOVICH<br>Chairman of the Board of Commissioners   |
|   | Ву:   |
| ATTEST:   |   |
| SACHI A. HAMAI<br>Executive Officer-Clerk<br>of the Board of Commissioners    |   |
| By:   |   |
| APPROVED AS TO FORM:  |   |
| ANDREA SHERIDAN ORDIN   |   |
| County Counsel  |   |
| Ву:   |   |
| Deputy  |   |



### HOUSING AUTHORITY of the County of Los Angeles

Administrative Office
2 Coral Circle • Monterey Pork, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich Commissioners

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

ADOPT RESOLUTION DECLARING INTENT TO ISSUE MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN THE CITY OF WEST HOLLYWOOD (DISTRICT 3) (3 VOTES)

#### SUBJECT

This letter recommends that the Board adopt a Resolution declaring the intent to issue Multifamily Housing Mortgage Revenue Bonds to finance the construction and development of Courtyard at La Brea, a 32-unit multifamily rental housing development to be located in the City of West Hollywood.

#### IT IS RECOMMENDED THAT YOUR COMMISSION:

- Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the Notice of Exemption for the Courtyard at La Brea project, which was prepared by the City of West Hollywood as lead agency; and find that this project will not cause a significant impact on the environment.
- 2. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for West Hollywood Community Housing Corporation L.P., a California Limited Partnership, in an amount not exceeding \$8,000,000 to finance the construction and development of Courtyard at La Brea, a 32-unit multifamily rental housing development to be located at 1145-1151 North La Brea Avenue in the City of West Hollywood.



 Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$8,000,000 for the purposes described herein.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of these actions is to declare the intent of the Housing Authority to issue of Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$8,000,000, and to authorize the Executive Director to apply to CDLAC for a private activity bond allocation in the same amount, in order to finance the construction and development of the Courtyard at La Brea apartments.

#### FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Project, to be located at 1145-1151 North La Brea Avenue in the City of West Hollywood, will be a five-story apartment building, comprised of 24 one-bedroom units, seven studio units, and one two-bedroom unit. Fifteen of the units will be reserved for households with incomes that do not exceed 50% of the area median income and sixteen of the units will be reserved for households with incomes that do not exceed 30% of the area median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). The affordability requirements will remain in effect for 55 years. Fifteen of the affordable units will be occupied by special needs households. One two-bedroom unit will be set-aside for the manager and will have no affordability requirements.

On June 6, 2011, the City Council of the City of West Hollywood adopted a resolution authorizing the Housing Authority of the County of Los Angeles to issue multifamily revenue bonds to finance the construction and development of the Courtyard at La Brea.

Adoption of the Resolution by the Board announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds is required to establish a base date after which costs incurred by the Developer may be included in the construction and permanent financing obtained pursuant to issuance of the tax-exempt bonds. The Resolution is also required to complete the Housing Authority's application to CDLAC.

On June 8, 2011, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel.

#### ENVIRONMENTAL DOCUMENTATION

The Courtyard at La Brea project was determined Categorically Exempt from the requirements of CEQA by the City of West Hollywood in accordance with State CEQA Guidelines Section 15332. The Housing Authority's consideration of this determination satisfies the requirements of CEQA.

An Environmental Assessment (EA) has been prepared for this project pursuant to the requirements of the National Environmental Policy Act (NEPA). This document describes the proposed project, evaluates the potential environmental effects, and describes the mitigation measures necessary to avoid potentially significant environmental effects from the project. Based on the conclusions and findings of the EA, a Finding of No Significant Impact will be approved by the Certifying Official of the Community Development Commission. Following the required public and agency comment periods, the U.S. Department of Housing and Urban Development (HUD) will issue a Release of Funds for this project. NEPA review and clearance will be completed prior to execution of the HOME Loan Agreement.

#### IMPACT ON CURRENT PROJECT

The proposed action is a necessary step to facilitate bond financing for the Project, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

SEAN ROGAN | Executive Director

Enclosures

## RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES OFFICIAL DECLARATION OF INTENT TO UNDERTAKE THE FINANCING OF A MULTIFAMILY HOUSING PROJECT AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue and sell mortgage revenue bonds as part of a plan of financing for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, Courtyard at La Brea LP (or an affiliate or assign) (the "Borrower"), has requested that the Authority issue and sell its mortgage revenue bonds pursuant to the Act to provide financing (including reimbursement of Borrower's expenditures) for the acquisition and construction of a multifamily rental housing development consisting of 32 units to be located at 1145-1151 North La Brea Avenue, West Hollywood, California 90046 in Los Angeles County (the "Project"); and

WHEREAS, this Board of Commissioners of the Authority (the "Board") hereby finds and declares that it is necessary, essential and a public purpose for the Authority to finance multifamily housing projects pursuant to the Act, in order to increase the supply of multifamily housing in Los Angeles County available to persons and families within the income limitations established by the Act; and

WHEREAS, as an inducement to the Borrower to carry out the Project, this Board desires to adopt this resolution (this "Resolution") and to authorize the issuance of mortgage revenue bonds by the Authority to finance the Project (the "Bonds") in a principal amount not to exceed \$8,000,000; and

WHEREAS, the Authority, in the course of assisting the Borrower in the financing of the Project expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of this Resolution and may incur additional Reimbursement Expenditures within 60 days prior to the adoption of this Resolution and prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California (the "Government Code") governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue multifamily housing mortgage revenue bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application with the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, the City of West Hollywood has approved the issuance by the Authority of the Bonds for the Project within the City of West Hollywood;

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act.

## NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- The above recitals, and each of them, are true and correct.
- 2. This Board hereby determines that it is necessary and desirable to provide a plan of financing for the Project by the issuance and sale of mortgage revenue bonds pursuant to the Act and hereby authorizes the issuance and sale of the Bonds in one or more series from time to time by the Authority in aggregate principal amounts not to exceed \$8,000,000. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, provided that nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any officer, agent or employee of the Authority will grant any approval, consent or permit which may be required in connection with the acquisition and construction of the Project or the issuance of the Bonds.
- 3. The issuance and sale of the bonds shall be upon such terms and conditions as may be agreed upon by the Authority and the Borrower and the initial purchasers of the Bonds; provided, however, that the Bonds shall not be sold or issued unless specifically authorized by the subsequent resolution of this Board.
- 4. This Resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations. In that regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the Project.
- 5. The proper officers of the Authority are hereby authorized and directed to apply to CDLAC for a private activity bond allocation for application by the Authority to the issuance the Bonds in one or more series from time to time for the Project in an amount not to exceed \$8,000,000, to collect from the Borrower an amount equal to the

performance deposit required by CDLAC and to certify to CDLAC that such amount has been placed on deposit in an account in a financial institution.

- 6. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, including entering into a Cooperation Agreement with the City of West Hollywood or the West Hollywood Community Development Commission, if necessary or desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by this Board in the manner provided by law prior to the sale thereof.
  - 7. This Resolution shall take effect immediately upon its adoption.

[Remainder of page intentionally left blank]

|  | Board of Commissioners of the Housing Authority of ifornia, this day of, 2011, by the |
|--|---|
| AYES:  |   |
| NOES:  |   |
| ABSENT:  |   |
| ABSTAIN:   |   |
|  | MAYOR MICHAEL D. ANTONOVICH<br>Chairman of the Board of Commissioners                 |
|  | Ву:   |
| ATTEST:  |   |
| SACHI A. HAMAI<br>Executive Officer-Clerk<br>of the Board of Commissioners |   |
| By:  |   |
| APPROVED AS TO FORM:   |   |
| ANDREA SHERIDAN ORDIN<br>County Counsel                                    |   |
| By:  |   |



## NOTICE OF EXEMPTION: DEPARTMENT OF COMMUNITY DEVELOPMENT

TO:

County Clerk, County of Los Angeles

12400 E. Imperial Highway, Room 2001

Norwalk, CA 90650

FROM:

City of West Hollywood

Department of Community Development

8300 Santa Monica Boulevard West Hollywood, CA 90069-6216

Tele: (323) 848-6475 FAX: (323) 848-6569

www.weho.org

## SUBJECT: Filing of Notice of Exemption in compliance with § 21108 or 21152 of Public Resources Code

Project Title: The Courtyard at La Brea

Project Location - Specific: 1145-1153 La Brea Avenue, West Hollywood, CA 90069

Project Location - City: West Hollywood Project Location - County: Los Angeles

## Description of Nature, Purpose, and Beneficiaries of Project:

The project involves the redevelopment of an approximately 0.27-acre property located at 1145-1153 La Brea Avenue. Three commercial structures, one residential structure, and associated surface parking lots would be replaced with a five-story mixed-use building containing 31 affordable rental units, one manager's unit, and 1.287 square feet of ground level commercial office space.

Name of Public Agency Approving Project: City of West Hollywood

Name of Person or Agency Carrying Out Project: West Hollywood Community Housing Corporation

#### Exempt Status (check one):

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|--|----------------|--|--|
| Minietorial  | 1800           | 21080(b)(1):   | 152601   |
|  |                |  |  |

- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4): 15269(b)(c):
- X Categorical Exemption. State type and section number: 15332 (In-fill Development Projects)

#### Reasons why project is exempt:

The project is Categorically Exempt from CEQA pursuant to CEQA Guidelines Section 15332 (In-Fill Development Projects) because: a) the project is consistent with the City's General Plan and Zoning Ordinance regulations; b) the development occurs on a site of 0.27 acres that is substantially surrounded by urban uses; c) the project has been developed with multiple urban uses since at least 1912 and the project site has no value as habitat for endangered, rare, or threatened species; d) approval of the project will not result in any significant effects relating to traffic, noise, air quality, or water quality; and e) the site can be adequately served by all required utilities and public services.

Lead Agency Contact Person: Francisco Contreras, AICP

Area Code/Telephone/Extension: (323)848-6874

Signature (Public Agency):

Date: March 18, 2011

Title: Senior Planner



## HOUSING AUTHORITY of the County of Los Angeles

Administrative Office 2 Coral Circle • Monterey Park, CA 91755 323,890,7001 • TTY: 323,838,7449 • www.lacdc.org



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich Commissioners

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

ADOPT RESOLUTION DECLARING INTENT TO ISSUE MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN THE CITY OF SAN FERNANDO (DISTRICT 3) (3 VOTES)

## SUBJECT

This letter recommends that the Board adopt a Resolution declaring the intent to issue Multifamily Housing Mortgage Revenue Bonds to finance the acquisition and construction of the Mid Celis Apartments, a 20-unit multifamily rental housing development to be located in the City of San Fernando. This letter relates to another item on the agenda of the Board of Supervisors for approval of the bond issuance.

## IT IS RECOMMENDED THAT YOUR COMMISSION:

- Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the Notice of Exemption for the Mid Celis Apartments project, which was prepared by the City of San Fernando as lead agency; and find that this project will not cause a significant impact on the environment.
- 2. Recommend that the Board of Commissioners adopt and instruct the Chair to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for Mid Celis Apartments, L.P., a Limited Partnership, in an amount not exceeding \$5,000,000 to finance the acquisition and construction of a 20unit multifamily rental housing development to be located at 1422 San Fernando Road in the City of San Fernando.



Honorable Housing Commissioners June 22, 2011 Page 2

 Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$5,000,000 for the purposes described herein.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of these actions is to declare the intent of the Housing Authority to issue Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$5,000,000, and to authorize the Executive Director of the Housing Authority to apply to CDLAC for a private activity bond allocation in the same amount, in order to finance the acquisition and construction of the Mid Celis Apartments.

## FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Mid Celis Apartments, to be located at 1422 San Fernando Road in the City of San Fernando will be a three-story apartment building, comprised of eight one-bedroom units, six two-bedroom units, and six three-bedroom units, for a total of 20 units. Nineteen of the units will be reserved for households with incomes that do not exceed 50% of the area median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). The affordability requirements will remain in effect for 55 years. All affordable units will be occupied by special needs households. The two-bedroom manager's unit will have no affordability requirements.

On June 6, 2011, the City Council of the City of San Fernando adopted a resolution authorizing the Housing Authority to issue multifamily revenue bonds to finance the acquisition and construction of the Mid Celis Apartments.

Adoption of the Resolution by the Board announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds is required to establish a base date after which costs incurred by the Developer may be included in the construction and permanent financing obtained pursuant to issuance of the tax-exempt bonds. The Resolution is also required to complete the Housing Authority's application to CDLAC.

On June 16, 2011, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the

Honorable Housing Commissioners June 22, 2011 Page 3

Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Mid Celis Apartments.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel.

## ENVIRONMENTAL DOCUMENTATION

The Mid Celis Apartments project was determined Categorically Exempt from the requirements of CEQA by the City of San Fernando in accordance with State CEQA Guidelines Section 15332. The Housing Authority's consideration of this determination satisfies the requirements of CEQA.

An Environmental Assessment (EA) has been prepared for this project pursuant to the requirements of the National Environmental Policy Act (NEPA). This document describes the proposed project, evaluates the potential environmental effects, and describes the mitigation measures necessary to avoid potentially significant environmental effects from the project. Based on the conclusions and findings of the EA, a Finding of No Significant Impact will be approved by the Certifying Official of the Community Development Commission. Following the required public and agency comment periods, HUD will issue a Release of Funds for this project. NEPA review and clearance will be completed prior to execution of the HOME Loan Agreement.

## IMPACT ON CURRENT PROJECT

The proposed action is a necessary step to facilitate bond financing for the Mid Celis Apartments, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

SEAN ROGAN' Executive Director

Enclosures

## RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES OFFICIAL DECLARATION OF INTENT TO UNDERTAKE THE FINANCING OF A MULTIFAMILY HOUSING PROJECT AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue and sell mortgage revenue bonds as part of a plan of financing for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, Mid Celis Apartments, L.P. (or an affiliate or assign) (the "Borrower"), has requested that the Authority issue and sell its mortgage revenue bonds pursuant to the Act to provide a plan of financing (including reimbursement of Borrower's expenditures) for the acquisition and construction of a multifamily rental housing development consisting of 20 units to be located at 1422 San Fernando Road, San Fernando, California 91340 in Los Angeles County (the "Project"); and

WHEREAS, this Board of Commissioners of the Authority (the "Board") hereby finds and declares that it is necessary, essential and a public purpose for the Authority to finance multifamily housing projects pursuant to the Act, in order to increase the supply of multifamily housing in Los Angeles County available to persons and families within the income limitations established by the Act; and

WHEREAS, as an inducement to the Borrower to carry out the Project, this Board desires to adopt this resolution (this "Resolution") and to authorize the issuance of mortgage revenue bonds by the Authority to finance the Project (the "Bonds") in a principal amount not to exceed \$5,000,000; and

WHEREAS, the Authority, in the course of assisting the Borrower in the plan of financing of the Project expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of this Resolution and may incur additional Reimbursement Expenditures within 60 days prior to the adoption of this Resolution and prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California (the "Government Code") governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue multifamily housing mortgage revenue bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application with the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, the City of San Fernando has approved the issuance by the Authority of the Bonds for the Project within the City of San Fernando;

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act.

### NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- The above recitals, and each of them, are true and correct.
- 2. This Board hereby determines that it is necessary and desirable to provide a plan of financing for the Project by the issuance and sale of mortgage revenue bonds pursuant to the Act and hereby authorizes the issuance and sale of the Bonds in one or more series from time to time by the Authority in aggregate principal amounts not to exceed \$5,000,000. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, provided that nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any officer, agent or employee of the Authority will grant any approval, consent or permit which may be required in connection with the acquisition and construction of the Project or the issuance of the Bonds.
- 3. The issuance and sale of the bonds shall be upon such terms and conditions as may be agreed upon by the Authority and the Borrower and the initial purchasers of the Bonds; provided, however, that the Bonds shall not be sold or issued unless specifically authorized by the subsequent resolution of this Board.
- 4. This Resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations. In that regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the Project.
- 5. The proper officers of the Authority are hereby authorized and directed to apply to CDLAC for a private activity bond allocation for application by the Authority to the issuance the Bonds in one or more series from time to time for the Project in an amount not to exceed \$5,000,000, to collect from the Borrower an amount equal to the

performance deposit required by CDLAC and to certify to CDLAC that such amount has been placed on deposit in an account in a financial institution.

- 6. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by this Board in the manner provided by law prior to the sale thereof.
  - 7. This Resolution shall take effect immediately upon its adoption.

[Remainder of page intentionally left blank]

|  | Board of Commissioners of the Housing Authority of ifornia, this day of, 2011, by the |
|--|---|
| following vote:  |   |
| AYES:  |   |
| NOES:  |   |
| ABSENT:  |   |
| ABSTAIN:   |   |
|  | MAYOR MICHAEL D. ANTONOVICH<br>Chairman of the Board of Commissioners                 |
|  | Ву:   |
| ATTEST:  |   |
| SACHI A. HAMAI<br>Executive Officer-Clerk<br>of the Board of Commissioners |   |
| Ву:  |   |
| Deputy   |   |
| APPROVED AS TO FORM:   |   |
| ANDREA SHERIDAN ORDIN<br>County Counsel                                    |   |
| By:  |   |
| Deputy   |   |



# NOTICE OF CEQA EXEMPTION

# ORIGINAL FILED

## MID CELLIS SAN FERNANDO APARTMENTS

MAR 1 8 2011

LOS ANGELES, COUNTY CLERK

#### INTRODUCTION TO THE NOTICE OF EXEMPTION

According to the California Environmental Quality Act (CEQA) Guidelines, a Notice of Exemption (NOE) may be filed if a lead agency (for this action, the lead agency is the City of San Fernando or the "City") determines that a proposed action or project is exempt from the environmental review requirements of CEQA. According to the CEQA Guidelines, a NOE must contain the following:

- A brief description of the proposed action or project;
- A finding that the proposed action or project is exempt, including a citation to the State CEQA
  Guidelines section or statute under which the project is found to be exempt; and,
- A brief statement in support of the finding.

This NOE provides a description of the proposed project, indicates the applicable sections of CEQA that support the findings for a CEQA exemption, and discusses the lead agency's findings that are applicable to the proposed project.

#### DESCRIPTION OF THE PROPOSED PROJECT

The City of San Fernando is reviewing a development application for a 20-unit apartment development. The project site is located at 1422 San Fernando Road, in the City of San Fernando. The assessor's parcel number (APN) for the property is 2521-003-900. The proposed project will consist of the following elements:

- The proposed project will consist of 20 rental housing units. Of this total, 8 units will have one-bedroom, 8 units will have two bedrooms, and 6 units will have three bedrooms. The average floor area for the individual units will be 500 square feet for the one-bedroom floor plan, 811 square feet for the two-bedroom floor plan, and 1,007 square feet for the three-bedroom floor plan.<sup>2</sup>
- The proposed project will also contain a number of amenities including an on-site laundry room, (225 square feet), a community room (236 square feet), and a learning center (270 square feet). In addition, a manager's office (153 square feet) will be provided.<sup>3</sup>
- Landscaped open space, consisting of 1,200 square feet, will be provided along the Celis Street frontage. A pocket park (Kalisher Neighborhood Park) consisting of 5,000 square feet will be

State of California. Guidelines for the implementation of the California Environmental Quality Act. Article 5. § 15352

City of San Fernando, Mid Celis San Fernando Apartments, Project Description. No Date.

Ibid.



improved off-site at 551 Kalisher Street near the proposed development.2

- The proposed structure will consist of three levels with parking provided on the ground level and the living areas provided on the two upper levels. A total of 29 parking spaces will be provided.<sup>5</sup>
- The building will be designed and constructed to employ sustainable development practices in pursuit of certification as a LEED building.<sup>6</sup>

The project applicant is the Los Angeles Housing Partnership (LAHP) and FSY Architects. A site plan of the parking level (first floor) and the living areas (second and third floors) are provided in Attachment 1.

#### APPLICABLE CEQA EXEMPTION(S)

The City of San Fernando has determined that the proposed project is an exempt project and it qualifies for a Class 32 exemption (Housing Infill Exemption). The Class 32 exemption consists of projects characterized as in-fill developments that meet the conditions described below.

- The project is consistent with the applicable general plan designation and all applicable general
  plan policies as well as with applicable zoning designation and regulations.
- The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- The project site has no value as habitat for endangered, rare or threatened species.
- The approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- The site can be adequately served by all required utilities and public services.

In addition to the aforementioned Class 32 exemption, the City of San Fernando has determined that the proposed project is exempt based on Section 15061 of CEQA which states the following:

"The activity is covered by a general rule that CEQA applies only to projects which have a potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that an activity in question may have a significant effect on the environment, the activity is not subject to CEQA."<sup>8</sup>

<sup>1</sup> City of San Fernando, Mid Celis San Fernando Apartments, Project Description. No Date.

bid.

<sup>\*</sup> ibid

Guidelines for the Implementation of the California Environmental Quality Act, Article 5, \$15332

<sup>\*</sup>Guidelines for the Implementation of the California Environmental Quality Act. Article 5, 515061(b)(3)



## FINDINGS SUPPORTING THE APPLICABLE CEQA EXEMPTION(S)

The City of San Fernando, determined following a preliminary evaluation of the proposed project, that the proposed project would not result in any significant effects on the environment. This determination is based on the following:

- The proposed project is consistent with both the City of San Fernando General Plan land use designation that is applicable to the site and the City of San Fernando Zoning Ordinance and Map. No General Plan Amendment or Zone Change will be required to accommodate the proposed project. The proposed project is consistent with the City of San Fernando Housing Element in terms of providing additional housing opportunities to meet its Regional Housing Needs Assessment (RGNA).
- The proposed project occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses. The project site is located at 1422 San Fernando Road, in the City of San Fernando. The project's total land area is 35,462 square feet.
- The project site has no value as habitat for endangered, rare or threatened species. The project site was previously developed. No native or natural habitats are found within the project site or on adjacent parcels (refer to discussion provided in Attachment 2).
- The approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality (refer to discussion provided in Attachment 2).
- The site can be adequately served by all required utilities and public services. No significant adverse cumulative impacts will result from the proposed project's implementation. The proposed project is consistent with the City of San Fernando General Plan and the applicable population growth and housing projections (refer to discussion provided in Attachment 2).

Furthermore, the City of San Fernando makes the following additional findings in support of a CEQA exemption for the proposed project.

- No dislocation of on-site or off-site uses will be required to accommodate the proposed project.
- The site does not contain any sensitive environmental resources. The site and the surrounding area have been disturbed as part of previous development (refer to discussion provided in Attachment 2).
- The project site is located within an urbanized area of the City of San Fernando. No scenic resources or scenic corridor will be affected by the proposed project (refer to discussion provided in Attachment 2).
- The project site is not located within an area, nor does it include a site, the Department of Toxic Substances Control (DTSC) and the Secretary for Environmental Protection has identified as being affected by hazardous wastes (refer to discussion provided in Attachment 2).
- The proposed project will not result in any impacts on historic resources. The project site is not identified on any State or local list identifying the site as containing a historic resource (refer to discussion provided in Attachment 2).



The proposed project will not require any review by a State trustee or responsible agency.

#### DISCUSSION OF LEAD AGENCY'S FINDINGS

The City of San Fernando may make the following findings with regard to the proposed project's exemption from the environmental review requirements outlined in CEQA:

- The proposed project will not require any special entitlements. The improvements will be confined
  to the project site and no dislocation of off-site uses will occur.
- The proposed project does not have a possibility of involving any significant environmental effects.
  The basis for this determination was discussed in the preceding section.
- The proposed project will not result in any impacts to sensitive resources.
- The proposed project will not result in any impacts on sensitive resources; result in any cumulative impacts; have the potential for damaging scenic resources; involve the placement of a project over a site the Department of Toxic Substances Control (DTSC) and the Secretary for Environmental Protection has identified as being affected by hazardous wastes; or result in any impacts on historic resources.
- The lead agency, based on a rule of common sense, "has determined that there is no possibility" that the proposed project will result in significant effects.

City of San Fernando

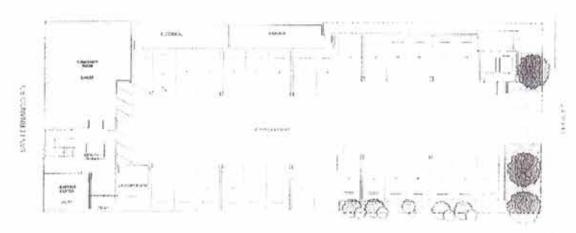
Date

Guidelines for the Implementation of the California Environmental Quality Act, Article 5. § 15061(b)(3)



## ATTACHMENT 1 PROJECT SITE PLAN





Ground Level Floor Plan



Second Level Floor Plan



Third Level Floor Plan



## ATTACHMENT 2 ENVIRONMENTAL ANALYSIS



#### 1. AESTHETIC IMPACTS

The city's local relief is generally level and ranges from 1,017 feet above mean sea level (AMSL) to 1,250 feet AMSL. This generally level topography is largely due to the city's location over an alluvial fan associated with the deposition of water-borne materials from the mountains and hillside areas located to the north and east. The dominant scenic vistas from the project site and the surrounding area include the views of the Santa Susana Mountains located to the west and the San Gabriel Mountains located to the north. The city is located in the northeastern portion of the San Fernando Valley near the south-facing base of the San Gabriel Mountains. <sup>10</sup> There are no designated scenic vistas or resources present within the vicinity of the project site. No protected views are present in the immediate that could be affected by the new residential development. <sup>11</sup>

#### 2. NATURAL RESOURCES IMPACTS

No agricultural activities are located within the project site or on adjacent parcels, nor does the City of San Fernando General Plan or Zoning Ordinance provide for any agricultural land use designation. <sup>12</sup> Furthermore, the project site and the surrounding properties are developed in urban uses. As a result, the proposed project's implementation will not impact any protected farmland soils. <sup>13</sup> In addition, the project site is not subject to a Williamson Act contract. As a result, no impacts on existing or future Williamson Act contracts will result from the proposed project implementation. San Fernando is located in the midst of a larger urban area and no forest lands are located within the city or in the surrounding area.

#### 3. AIR QUALITY IMPACTS

The use of diesel-power construction equipment will generate large amounts of nitrogen oxide (NO<sub>x</sub>). Particulate dust will also be a byproduct of site preparation activities. Table 1 outlines the estimated short-term emissions projected for the construction of up to 20 units. The emissions shown in the table were calculated using the computer model Urbemis, Version 9.2 developed for the California Air Resources Board. As shown in Table 1, the construction of the 20 unit development will result in daily construction emissions that will be "less than significant" since they will be below the SCAQMD's daily thresholds.

Table 1
Estimated Short-Term Emissions (lbs/day)

| Source                 | co    | ROG  | PM <sub>10</sub> | PM2.3 | NO.   |
|------------------------|-------|------|------------------|-------|-------|
| Construction Emissions | 14.81 | 3.36 | 1.41             | 1.30  | 28.08 |
| Fugitive Particulates  |       |      | 6.21             | 1.30  | -     |
| Short-term Thresholds  | 550   | 75   | 150              | 150   | 100   |

City of San Fernando, San Fernando Parking Lots Draft Environmental Impact Report. February 20, 2008.

United State Geological Survey. San Fernando 7 1/2 Minute Quadrangle. Release Date March 25, 1999

<sup>14</sup> City of San Fernando. San Fernando General Plan Land Use Element. 1987.

California, State of. Department of Conservation, Farmland Mapping and Monitoring Program. July 13, 1995.



Table 2 summarizes the long-term operational emissions from the proposed residential development once it is occupied. Long-term emissions refer to those air quality impacts that will occur once the development is operational and occupied and these impacts will continue over the operational life of the project. The long-term air quality impacts associated with the proposed project includes the following:

- Mobile emissions associated with vehicular traffic:
- On-site stationary emissions related to the operation of household equipment; and,
- Off-site stationary emissions associated with the generation of energy (natural gas and electrical).

The analysis of long-term operational impacts also used a computer model developed by the California Air Resources Board (CARB). The computer model requires the knowledge of a number of independent variables to ascertain project emissions, such as trip generation rates, size of the project, worker trip characteristics, and others. <sup>14</sup> As indicated in Table 2, the long-term operational emissions will be below thresholds considered by the SCAQMD to be significant.

Table 2
Existing and Future Long-Term Emissions (lbs/day)

| Criteria Pollutants (lbs./day) |                        |   |   |   |
|--------------------------------|------------------------|---|---|---|
| со                             | ROG                    | PM10  | NOX   | SOX   |
| 12.51                          | 1.04                   | 2.41  | 1.35  | 0.00  |
| 1.63                           | 1.20                   | 0.01  | 0.22  | 0.01  |
| 14.14                          | 2.24                   | 2.42  | 1.57  | 0.01  |
| 550                            | 55                     | 150   | 100   | 150   |
|                                | 12.51<br>1.63<br>14.14 | CO ROG<br>12.51 1.04<br>1.63 1.20<br>14.14 2.24 | CO ROG PM10  12.51 1.04 2.41  1.63 1.20 0.01  14.14 2.24 2.42 | CO ROG PM10 NOX 12.51 1.04 2.41 1.35 1.63 1.20 0.01 0.22 14.14 2.24 2.42 1.57 |

Source: California Air Resources Board, URBEMIS 9.2.2

As indicated in Tables 1 and 2, the projected short-term and long-term emissions are below thresholds considered to represent a significant adverse impact. As a result, no significant adverse impacts are anticipated with the proposed project's implementation.

#### 4. BIOLOGICAL RESOURCES IMPACTS

As indicated in the preceding sections, the city is located in an urbanized area. Native habitat in the vicinity of the project site has been disturbed as part of the area's past development. The proposed project site is located in the midst of an existing residential neighborhood that contains higher density residential development. There are no sensitive or unique biological resources located within the adjacent properties. There are no native or natural riparian plant habitats found within the project site or in the adjacent properties. No blue line" streams are located within or adjacent to the project site.

<sup>4</sup> Catifornia Air Resources Board, URBEMIS 9.2,2, 2009

City of San Fernando San Fernando General Plan, Chapter 3, Conservation Element, Page CON-12, January 6, 2004.



#### 5. CULTURAL RESOURCES IMPACTS

A single location is recorded on the National Register of Historic Places: the Lopez Adobe located at 1100 Pico Street. The city recently completed a comprehensive historic resources preservation program. An initial step of this process involved the completion of a city-wide inventory of potential historically significant properties. The survey was completed by Cultural Resources Management LLC in 2002. The survey identified over 230 potentially significant historic sites including two that may be eligible for the National Register. The survey also identified a single potential National Register Historic District. The project site was not included on this list. As a result, the proposed project's implementation will not result in any significant adverse impacts on historic resources.

#### 6. HAZARDS & HAZARDOUS MATERIALS IMPACTS

Hazardous chemicals and materials used on-site will be limited to common household maintenance and cleaning products. Because of the nature of the proposed residential use, no hazardous or acutely hazardous materials will be emitted. As a result, no significant adverse impacts are anticipated. The proposed project site is not included on a hazardous sites list compiled pursuant to California Government Code Section 65962. As a result, no impacts will occur with respect to locating the project on a site included on a hazardous list pursuant to the government code.

#### NOISE IMPACTS

The current noise environment within the project area is dominated by traffic noise emanating from Truman Avenue and the other local streets. As part of the future multiple-family residential development, insulation and other design measures will be required to reduce the interior ambient noise levels to 45 dB Community Noise Equivalent Level or ("CNEL") or less. In addition, the proposed project will not result in a significant increase in mobile noise. The additional vehicle trips that will be generated by the 20 units on a daily basis will be distributed throughout the city. The cumulative traffic will not be great enough to result in a measurable or perceptible increase in traffic noise (it typically requires a doubling of traffic volumes to increase the ambient noise levels to 3.0 dBA or greater). As a result, the proposed project's implementation will not result in any significant adverse noise impacts.

#### 8. POPULATION & HOUSING

Growth-inducing impacts are generally associated with the provision of urban services to an undeveloped or rural area, such as utilities, improved roadways, and expanded public services. The additional of 20 units would result in a potential population of 64 persons assuming an average household size of 2 persons for the one bedroom units, 3 person for the two-bedroom units, and 4 persons for the three-bedroom units. The utility connections and other infrastructure will continue to serve the project site only. As a result, no significant adverse impacts are anticipated.

#### 9. PUBLIC SERVICES

The Fire Department currently reviews all new development plans, and future development will be required to conform to all fire protection and prevention requirements, including, but not limited to, building setbacks, emergency access, interior sprinklers, and etcetera. Law enforcement services in the city are provided by the San Fernando Police Department that was established following the city's incorporation. As part of the police department's annual review, demand shall be evaluated and



resources allocated as necessary. The proposed use will potentially result in an incremental increase in the demand for law enforcement services.

#### 10. TRANSPORTATION & CIRCULATION

Table 3 indicates the trip generation for the existing use and the proposed project. The proposed project, at full occupancy is projected to generate 106 trips during an average week day. Of this total, 8 trips will occur during the morning peak hour (AM peak hour) and 10 trips will occur during the evening (PM peak hour). These trips will be distributed throughout the city and the level of service of individual intersections will not be significantly affected. As indicated in the previous sections, the city is obligated under State law, to fulfill the RHNA requirements that have been assigned to the city. As part of the RHNA's development, SCAG relied on growth projections developed as part of the Regional Transportation Plan (RTP). These growth projections were evaluated in the environmental studies prepared for both the RHNA and RTP. Furthermore, the residential development envisioned as part of the proposed project's implementation is consistent with that contemplated under the City of San Fernando General Plan. As a result, no significant adverse impacts are anticipated.

Table 3 Weekday Trip Generation (Trips/Day)

| Project Component             | Daily Trip      | Peak Hour Traffic Volumes |                 |  |
|-------------------------------|-----------------|---------------------------|-----------------|--|
|                               | Ends/Unit       | AM Peak Hour              | PM Peak Hour    |  |
| Generation Rates (affordable) | 5.32 trips/unit | 0.41 trips/unit           | 0.50 trips/unit |  |
| Traffic Generation (20 units) | 106 trips/day   | 8 trips/day               | 10 trips/day    |  |

Source: Institute of Transportation Engineers, Trip Generation 8th Edition, 2008

#### 11. UTILITIES

The potential 20 units contemplated under the proposed project will result in increased water consumption. Approximately 5,000 gallons of water per day will be consumed by this additional residential development. This consumption assumes a rate of 250 gallons per day, per unit. As indicated in the previous sections, the city is obligated under State law, to fulfill the RHNA requirements that have been assigned to the city. These RHNA growth projections were evaluated in the environmental studies prepared for both the RHNA and RTP. As a result, no significant adverse impacts are anticipated.

The County Sanitation Districts of Los Angeles County (Districts) treat wastewater from the City of San Fernando. Local sewer lines are maintained by the City of San Fernando, while the Districts own, operate and maintain the large trunk sewers of the regional wastewater conveyance system. Districts Nos. 2, 3, 18 and 19 serve the city. Three Districts' wastewater treatment plants treat wastewater flow originating from San Fernando. The Los Coyotes Water Reclamation Plan (WRP) located within the city, has a design capacity of 37.5 million gallons per day (mgd) and currently processes an average flow of 32.2 mgd. The Joint Water Pollution Control Plant (JWPCP) located in the City of Carson has a design capacity of 385 mgd and currently processes an average flow of 326.1 mgd. The Long Beach WRP has a design capacity of 25 mgd and currently processes an average flow of 20.2 mgd. The future residential development contemplated

## Notice of Exemption California Environmental Quality Act



under the proposed project (20 units) is anticipated to generate approximately 3,600 gallons of effluent daily. This effluent generation assumes a rate of 180 gallons per day, per unit. No new off-site facilities will be required to meet the projected demand. As a result, no significant adverse impacts are anticipated.



# HOUSING AUTHORITY of the County of Los Angeles

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich Commissioners

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

ADOPT RESOLUTION DECLARING INTENT TO ISSUE MULTIFAMILY HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN THE CITY OF SAN FERNANDO (DISTRICT 3) (3 VOTES)

## SUBJECT

This letter recommends that the Board adopt a Resolution declaring the intent to issue Multifamily Housing Mortgage Revenue Bonds to finance the construction and development of San Fernando Community Housing (SFCH), a 62-unit multifamily rental housing development to be located in the City of San Fernando.

#### IT IS RECOMMENDED THAT YOUR COMMISSION:

- 1. Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the attached Initial Study/Mitigated Negative Declaration (IS/MND) for the SFCH project, which was prepared by the City of San Fernando as lead agency; find that the mitigation measures identified in the IS/MND for this project are adequate to avoid or reduce potential impacts below significant levels; and find that this project will not cause a significant impact on the environment.
- 2. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for San Fernando Community Housing L.P., a California Limited Partnership, in an amount not exceeding \$9,000,000 to finance the construction and development of a 62-unit multifamily rental housing



Honorable Housing Commissioners June 22, 2011 Page 2

development to be located at 131 and 134 Park Avenue and 130, 134 and 140 Jesse Street in the City of San Fernando.

 Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$9,000,000 for the purposes described herein.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to declare the intent of the Housing Authority to issue Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$9,000,000 and to authorize the Executive Director to apply to CDLAC for a private activity bond allocation in the same amount, in order to finance the construction and development of SFCH.

## FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

SFCH, to be located at 131 and 134 Park Avenue and 130, 134 and 140 Jesse Street in the City of San Fernando, will be a three-story apartment building, comprised of 62 one-bedroom units including one manager's unit. Twenty of the units will be reserved for households with incomes that do not exceed 30% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD), and 10 of the units will be reserved for households with incomes that do not exceed 50% of the AMI. The remaining 31 units will be reserved for households with incomes that do not exceed 60% of the AMI. The affordability requirements will remain in effect for 55 years. Twenty of the affordable units will be occupied by special needs households. The manager's unit will have no affordability requirements.

On June 6, 2011, the City Council of the City of San Fernando adopted a resolution authorizing the Housing Authority to issue multifamily revenue bonds to finance the construction and development of SFCH.

Adoption of the Resolution by the Board announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds is required to establish a base date after which costs incurred by the Developer may be included in the construction and permanent

Honorable Housing Commissioners June 22, 2011 Page 3

financing obtained pursuant to issuance of the tax-exempt bonds. The Resolution is also required to complete the Housing Authority's application to CDLAC.

On June 16, 2011, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the SFCH, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of SFCH.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel.

## **ENVIRONMENTAL DOCUMENTATION**

As a responsible agency, and in accordance with the requirements of CEQA, the Housing Authority reviewed the IS/MND prepared by the City of San Fernando for the SFCH project, and determined that this project will not have a significant adverse impact on the environment. The Housing Authority's consideration of the IS/MND and filing of the Notice of Determination satisfy the State CEQA Guidelines as stated in Article 7, Section 15096.

An Environmental Assessment (EA) has been prepared for this project pursuant to the requirements of the National Environmental Policy Act. This document describes the proposed project, evaluates the potential environmental effects, and describes the mitigation measures necessary to avoid potentially significant environmental effects from the project. Based on the conclusions and findings of the EA, a Finding of No Significant Impact will be approved by the Certifying Official of the Community Development Commission. Following the required public and agency comment periods, HUD will issue a Release of Funds for the project.

## IMPACT ON CURRENT PROJECT

The proposed action is a necessary step to facilitate bond financing for SFCH, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

SEAN ROGAN / Executive Director

Enclosures

## RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES OFFICIAL DECLARATION OF INTENT TO UNDERTAKE THE FINANCING OF A MULTIFAMILY HOUSING PROJECT AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue and sell mortgage revenue bonds as part of a plan of financing for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, San Fernando Community Housing LP (or an affiliate or assign) (the "Borrower"), has requested that the Authority issue and sell its mortgage revenue bonds pursuant to the Act to provide a plan of financing (including reimbursement of Borrower's expenditures) for the acquisition and construction of a multifamily rental housing development consisting of 62 units to be located at 131 and 134 Park Avenue and 130, 134 and 140 Jesse Street, San Fernando, California 91340 in Los Angeles County (the "Project"); and

WHEREAS, this Board of Commissioners of the Authority (the "Board") hereby finds and declares that it is necessary, essential and a public purpose for the Authority to finance multifamily housing projects pursuant to the Act, in order to increase the supply of multifamily housing in Los Angeles County available to persons and families within the income limitations established by the Act; and

WHEREAS, as an inducement to the Borrower to carry out the Project, this Board desires to adopt this resolution (this "Resolution") and to authorize the issuance of mortgage revenue bonds by the Authority to finance the Project (the "Bonds") in a principal amount not to exceed \$9,000,000; and

WHEREAS, the Authority, in the course of assisting the Borrower in the plan of financing of the Project expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of this Resolution and may incur additional Reimbursement Expenditures within 60 days prior to the adoption of this Resolution and prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California (the "Government Code") governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue multifamily housing mortgage revenue bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application with the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, the City of San Fernando has approved the issuance by the Authority of the Bonds for the Project within the City of San Fernando;

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act.

## NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- The above recitals, and each of them, are true and correct.
- 2. This Board hereby determines that it is necessary and desirable to provide a plan of financing for the Project by the issuance and sale of mortgage revenue bonds pursuant to the Act and hereby authorizes the issuance and sale of the Bonds in one or more series from time to time by the Authority in aggregate principal amounts not to exceed \$9,000,000. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, provided that nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any officer, agent or employee of the Authority will grant any approval, consent or permit which may be required in connection with the acquisition and construction of the Project or the issuance of the Bonds.
- 3. The issuance and sale of the bonds shall be upon such terms and conditions as may be agreed upon by the Authority and the Borrower and the initial purchasers of the Bonds; provided, however, that the Bonds shall not be sold or issued unless specifically authorized by the subsequent resolution of this Board.
- 4. This Resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations. In that regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the Project.
- 5. The proper officers of the Authority are hereby authorized and directed to apply to CDLAC for a private activity bond allocation for application by the Authority to the issuance the Bonds in one or more series from time to time for the Project in an amount not to exceed \$9,000,000, to collect from the Borrower an amount equal to the

performance deposit required by CDLAC and to certify to CDLAC that such amount has been placed on deposit in an account in a financial institution.

- 6. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by this Board in the manner provided by law prior to the sale thereof.
  - 7. This Resolution shall take effect immediately upon its adoption.

[Remainder of page intentionally left blank]

|  | Board of Commissioners of the Housing Authority of fornia, this day of, 2011, by the |
|--|--|
| AYES:  |  |
| NOES:  |  |
| ABSENT:  |  |
| ABSTAIN:   |  |
|  | MAYOR MICHAEL D. ANTONOVICH<br>Chairman of the Board of Commissioners                |
|  | Ву:  |
| ATTEST:  |  |
| SACHI A. HAMAI<br>Executive Officer-Clerk<br>of the Board of Commissioners |  |
| By:  |  |
| APPROVED AS TO FORM:   |  |
| ANDREA SHERIDAN ORDIN<br>County Counsel                                    |  |
| By:  |  |



## HOUSING AUTHORITY of the County of Los Angeles

Administrative Office
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323.890.7001 • TTY: 323.838.7449 • www.lacdc.arg



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

## APPROVE A CONSTRUCTION CONTRACT FOR ROOF REPLACEMENT AT THE VILLA NUEVA HOUSING DEVELOPMENT (DISTRICT 1)

## SUBJECT

This letter recommends approval of a Construction Contract (Contract) with Western States Roofing and Construction to complete roof replacement including all accessories and associated work at the Villa Nueva housing development located at 658-676 S. Ferris Avenue in unincorporated East Los Angeles.

## IT IS RECOMMENDED THAT YOUR COMMISSION:

- Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a Contract in the amount of \$107,956 to Western States Roofing and Construction to complete roof replacement including all accessories and associated work at the Villa Nueva housing development, using \$107,956 in Rental Housing Construction Program (RHCP) revenue allocated by the State of California.
- Recommend that the Board of Commissioners authorize the Executive Director to approve Contract change orders not to exceed \$10,795 for unforeseen project costs, using the same source of funds and following approval as to form by County Counsel.
- Recommend that the Board of Commissioners find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).



Honorable Housing Commissioners June 22, 2011 Page 2

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to award a Contract to complete roof replacement, including all accessories and associated work at the Villa Nueva housing development.

## FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$107,956 in RHCP revenue allocated by the State of California and included in the Housing Authority's approved Fiscal Year 2011-2012 budget. A 10% contingency, in the amount of \$10,795 is also being set aside for unforeseen costs, using the same source of funds.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Villa Nueva housing development consists of five buildings with a total of 21 units. The scope of work for this Contract includes removal, cleaning, reinstallation and replacement, as needed, of all existing roof clay tile, replacement of all damaged plywood sheathing and underlayment material, installation of all necessary components and accessories such as ridge vents, roof jacks, rain caps, drip edges, flashings and associated work.

The improvements are being funded by the State of California, and is therefore subject to the requirements of the Greater Avenues for Independence (GAIN) Program and the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Should Western States Roofing and Construction require additional or replacement personnel after the effective date of this Contract, it will give consideration for any such employment openings to participants in the County's Department of GAIN and GROW Programs who meet the firm's minimum qualifications for the open position. The firms will contact the County's GAIN/GROW Division for a list of participants by job category.

The Contract has been approved as to form by County Counsel and executed by Western States Roofing and Construction.

## **ENVIRONMENTAL DOCUMENTATION**

Pursuant to 24 Code of Federal Regulation, Part 58, Section 58.35 (a) (3)(ii), this project is excluded from the National Environmental Policy Act because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

Honorable Housing Commissioners June 22, 2011 Page 3

## CONTRACTING PROCESS

On March 3, 2011, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to 156 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in one local newspaper, and on the CDC and County websites. Thirty-nine bid packages were downloaded from the websites by the contractors.

On April 6, 2011, three bids were received and formally opened. Western States Roofing and Construction submitted the lowest bid and is being recommended for the Contract award.

The Summary of Outreach Activities is provided as Attachment A.

## IMPACT ON CURRENT PROJECT

The award of the Contract will modernize the Villa Nueva housing development and provide residents with new roofs. These improvements will serve to conserve energy, increase cost savings to the Housing Authority and improve services to the residents.

Respectfully submitted,

SEAN ROGAN Executive Director

Enclosures

#### ATTACHMENT A

#### Summary of Outreach Activities

On March 3, 2011, the following outreach was initiated to identify a contractor to complete the roof replacement including all accessories and associated work at the Villa Nueva housing development located at 658-676 S. Ferris Avenue, Los Angeles, CA 90022.

## A. Newspaper Advertising

Announcements appeared in the following local newspaper:

Los Angeles Times

An announcement was also posted on the CDC and County websites.

## B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 156 contractors, of which 89 identified themselves as businesses owned by minorities or women (private firms which are 60 percent owned by minorities or women, or publicly-owned businesses in which 56 percent of the stock is owned by minorities or women). As a result of the outreach, thirty-nine packages were downloaded from the websites by the contractors.

## C. Pre-Bid Conference and Site Walk

On March 17, 2011, a mandatory pre-bid conference and site walk was conducted. Eleven firms were in attendance.

## D. Bid Results

On April 6, 2011, a total of three bids were received and publicly opened.

The bid result was as follows:

| Company                                | Bid Amount |
|--|------------|
| Western State Roofing and Construction | \$107,956  |
| Magic Hammer Development Inc.          | \$158,071  |
| 2PS Builders Inc.                      | \$167,575  |

## E. Minority/Female Participation - Selected Contractor

| Name                                    | Ownership    | Employees  |
|---|--------------|--|
| Western States Roofing and Construction | Non-Minority | Total: 45 39 Minorities 3 Women 87% Minorities 7% Women              |
| JB Wholesale (Material Supplier)        | Non-Minority | Total: 104<br>82 Minorities<br>6 Women<br>79% Minorities<br>7% Women |

## F. Minority/Women Participation - Firms Not Selected

| Name                          | Ownership    | Employees   |
|-------------------------------|--------------|---|
| Magic Hammer Development Inc. | Non-Minority | Total: 5 5 Minorities 1 Woman 100% Minorities 20% Women |
| 2PS Builders Inc.             | Non-Minority | Total: 3 3 Minorities 1 Woman 100% Minorities 33% Women |

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

#### ATTACHMENT B

#### Contract Summary

Project Name:

Villa Nueva Roofing Project

Location:

658-676 S. Ferris Avenue, Los Angeles, CA 90022

Bid Number:

CDC 11-063 April 6, 2011

Bid Date: Contractor:

Western States Roofing and Construction

Services:

The scope of work is to complete the roof replacement including all

accessories and associated work.

**Contract Documents:** Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

Notice to Proceed and Completion: The work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within sixty (60) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of Five Hundred Dollars and Zero Cents (\$500.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of One Hundred and Seven Thousand Nine Hundred Fifty Six Dollars and Zero Cents (\$107,956). The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: \$10,795

## Villa Nueva Roofs



1. Villa Nueva (Entire Site 5 Buildings): Roof Replacement will include removal and storage of existing tiles; reinstallation of existing and replacement of damaged roof tile; and all accessories and associated work.



2. Villa Nueva (Entire Site 5 Buildings): A close view of the typical building.

## Villa Nueva Roofs



3. Villa Nueva (Entire Site 5 Buildings): The work to include all necessary accessories, and all associated work such as ridge vents, rain caps, drip edge, and flashing.



4. Villa Nueva (Entire Site 5 Buildings): The work to include the roof replacement of the mail box area.



# HOUSING AUTHORITY of the County of Los Angeles

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

#### APPROVE A CONSTRUCTION CONTRACT FOR PHASE TWO HARBOR HILLS HOUSING DEVELOPMENT KITCHEN REMODEL PROJECT (DISTRICT 4)

#### SUBJECT

This letter recommends approval of a Construction Contract (Contract) with Cal-City Construction, Inc. to remodel the kitchens in 201 units and the Community Center kitchen at the Harbor Hills housing development, located at 26607 S. Western Avenue in the City of Lomita.

#### IT IS RECOMMENDED THAT YOUR COMMISSION:

- Recommend that the Board of Commissioners approve and authorize
  the Executive Director or his designee to execute and if necessary
  terminate a Contract in the amount of \$2,220,000 with Cal-City
  Construction, Inc., to complete the kitchen remodel of 201 units and
  the Community Center kitchen at the Harbor Hills housing
  development, using Capital Fund Program (CFP) funds allocated by
  the U.S. Department of Housing and Urban Development (HUD) and
  included in the Housing Authority's approved Fiscal Year 2011-2012
  budget.
- Recommend that the Board of Commissioners authorize the Executive Director or his designee to approve Contract change orders not to exceed \$444,000 for unforeseen project costs, using CFP funds and following approval as to form by County Counsel.



> Recommend that the Board of Commissioners find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to award a Contract to complete phase two of the kitchen remodel at the Harbor Hills housing development.

#### FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Housing Authority will fund the kitchen remodel with \$2,220,000 in CFP funds allocated by HUD and included in the Housing Authority's approved Fiscal Year 2011-2012 budget. A 20% contingency, in the amount of \$444,000, is also being set aside for unforeseen costs, using the same source of funds. This contingency is recommended because rehabilitation work often involves additional costs beyond those initially identified in the scope of work.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On August 5, 2008, the Board approved phase one of the kitchen remodel at the Harbor Hills housing development. The contractor completed the kitchen remodel of 100 housing units. The final phase involves the kitchen remodel of 201 units and the Community Center kitchen at the Harbor Hills housing development. The scope of work includes replacement of existing cabinetry, countertops, sinks and plumbing fixtures, stoves and range hoods, water heater, flooring, lighting fixtures and painting, including all associated work.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, Cal-City Construction, Inc., will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Housing Authority has selected Cal-City Construction, Inc. to complete phase two of the Harbor Hills kitchen remodel project. The Contract has been approved as to form by County Counsel and executed by Cal-City Construction, Inc.

#### ENVIRONMENTAL DOCUMENTATION

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act because it involves

activities that will not alter existing environmental conditions. It is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

#### CONTRACTING PROCESS

On March 2, 2011, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Announcements were sent to 382 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in one local newspaper and on the County and Housing Authority websites.

On April 21, 2011, three bids were received and formally opened. Cal-City Construction, Inc. submitted the lowest bid and is being recommended for the Contract award.

The Summary of Outreach Activities is provided as Attachment A.

#### IMPACT ON CURRENT PROJECT

The award of the Contract will substantially improve the Harbor Hills housing development and continue to provide the residents with decent and safe living conditions.

Respectfully submitted,

SEAN ROGAN Executive Director

Enclosures

#### ATTACHMENT A

#### Summary of Outreach Activities

#### Harbor Hills Kitchen Remodel - Phase II

On March 2, 2011, the following outreach was initiated to identify a contractor for the kitchen remodel of 201 units and the Community Center kitchen at the Harbor Hills housing development located at 26607 S. Western Avenue, in the City of Lomita.

#### Newspaper Advertising

Announcements appeared in the following local newspaper:

Los Angeles Times

An announcement was also posted on the County and Housing Authority websites.

#### B. Pre-Bid Conference and Site Walk

On March 15, 2011, a mandatory pre-bid conference and site walk was conducted. Twenty-four firms were in attendance.

#### C. Bid Results

Name

On April 21, 2011, three bids were received and formally opened. The bid results are as follows:

Employees

| Company                             | Bid Amount  |
|-------------------------------------|-------------|
| Cal-City Construction, Inc.         | \$2,220,000 |
| Gibraltar Construction Co, Inc.     | \$2,620,000 |
| General Construction Services, Inc. | \$2,620,979 |

### Minority/Female Participation – Selected Contractor and Subcontractor

| Numo                        | OWNERSTIP | _      | imployees  |
|-----------------------------|-----------|--------|------------|
| Cal-City Construction, Inc. | Minority  | Total: | 25         |
| <b>6</b> 67 7               | 2.12.1    | 25     | Minorities |
|                             |           | 2      | Women      |
|                             |           | 100%   | Minorities |
|                             |           | 8%     | Women      |

Ownership

#### E. Minority/Female Participation - Contractors Not Selected

| Name                             | Ownership    | E                                | mployees                                       |
|----------------------------------|--------------|----------------------------------|--|
| Gibraltar Construction Co.       | Non-Minority | Total:<br>16<br>10<br>32%<br>20% | 50<br>Minorities<br>Women<br>Minority<br>Women |
| General Construction<br>Services | Non-Minority | Total:<br>2<br>1<br>100%<br>50%  | 2<br>Minorities<br>Woman<br>Minority<br>Women  |

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

#### ATTACHMENT B

#### Contract Summary

Project Name:

Harbor Hills Kitchen Remodel – Phase II 26607 S. Western Ave, Lomita, CA 90717

Bid Number:

Location:

CDC11-036 March 2, 2011

Bid Date: Contractor:

Cal-City Construction, Inc.

Services:

The scope of work for the Harbor Hills Kitchen Remodel – Phase II project includes replacement of cabinetry, countertops, sinks and plumbing fixtures, stoves and range hoods, water heater, flooring,

lighting fixtures and painting.

**Contract Documents:** Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all Addenda to the Contract Documents.

Time of Commencement and Completion: The work to be performed under this Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within five hundred and ten (510) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of Five Hundred Dollars and Zero Cents (\$500.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of Two Million Two Hundred and Twenty Thousand Dollars (\$2,220,000). The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: \$444,000

#### Harbor Hills Kitchen Remodel Phase II



 Family Buildings - replacement of existing kitchen cabinetry, countertops, flooring, light fixtures, plumbing fixtures, ranges, range hoods, water heaters, and abatement.



 Kitchen - all existing kitchen cabinetry will be removed and replaced with maple veneer cabinetry. Countertops will be replaced with solid polymer countertop with backsplash. Sink will be replaced with new.

## Harbor Hills Kitchen Remodel Phase II



3. Range and range hood - scope includes replacement of range and range hoods



4. Water Heater - scope includes replacement of water heater with new 40gallon water heater with new shut off valve and flexible hot and cold water tap connector.

## Harbor Hills Kitchen Remodel Phase II



Kitchen Flooring - scope includes replacement of flooring with new VCT tiles and cove base.



6. Kitchen Light Fixtures - Light fixture will be replaced with new 48" surface mounted light fixture.



## HOUSING AUTHORITY of the County of Los Angeles

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Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

# APPROVE A CONSTRUCTION CONTRACT FOR PARKING LOTS AND SIDEWALKS IMPROVEMENTS AT THE HARBOR HILLS HOUSING DEVELOPMENT (DISTRICT 4)

#### SUBJECT

This letter recommends approval of a Construction Contract (Contract) with Amtek Construction to complete the modernization of three parking lots, adjacent sidewalks and all associated work at the Harbor Hills housing development located at 26607 S. Western Avenue in the City of Lomita.

#### IT IS RECOMMENDED THAT YOUR COMMISSION:

- Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a Contract in the amount of \$513,279 with Amtek Construction to complete the modernization of three parking lots, adjacent sidewalks and all associated work at the Harbor Hills housing development, using Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2011-2012 budget.
- Recommend that the Board of Commissioners authorize the Executive Director or his designee to approve Contract change orders not to exceed \$51,327 for unforeseen project costs, using CFP funds and following approval as to form by County Counsel.
- Recommend that the Board of Commissioners find that approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).



#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to award a Contract for the modernization of three parking lots, adjacent sidewalks and all associated work at the Harbor Hills housing development.

#### FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$513,279 in CFP funds allocated by HUD and included in the Housing Authority's approved Fiscal Year 2011-2012 budget. A 10% contingency, in the amount of \$51,327 is also being set aside for unforeseen costs, using CFP funds.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Contract will allow for the modernization of three existing parking lots at the 301-unit Harbor Hills housing development. One parking lot will be new with the removal of existing paving, installation of new reinforced and pervious concrete parking and base, new adjacent sidewalks, accessible parking ramps, accessible signage, drainage upgrades and all associated work. Two parking lots will be modernized by removing and replacing damaged asphalt, repairing of cracks and pot-holes in existing parking lot asphalt concrete paving, slurry seal coat, parking striping to match existing, drainage upgrades and all associated work.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, Amtek Construction will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Housing Authority has selected Amtek Construction to replace and modernize three existing parking lots, adjacent sidewalks and all associated work. The Contract has been approved as to form by County Counsel and executed by Amtek Construction.

#### ENVIRONMENTAL DOCUMENTATION

Pursuant to 24 Code of Federal Regulation, Part 58, Section 58.35 (a) (3)(ii), this project is excluded from the National Environmental Policy Act, because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no

expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

#### CONTRACTING PROCESS

On May 3, 2011, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to 630 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in one newspaper and on the County and CDC websites. Seven bid packages were requested and distributed.

On May 31, 2011, two bids were received and formally opened. Amtek Construction submitted the lowest bid and is being recommended for the Contract award.

The Summary of Outreach Activities is provided as Attachment A.

#### IMPACT ON CURRENT PROJECT

The award of the Contract will modernize the Harbor Hills housing development and provide residents with Americans with Disabilities Act code-compliant and properly maintained parking lots and adjacent sidewalks.

Respectfully submitted,

SEAN ROGAN Executive Director

Enclosures

#### ATTACHMENT A

#### Summary of Outreach Activities

#### Harbor Hills Parking Lots and Sidewalks Improvements

On May 3, 2011, the following outreach was initiated to identify a contractor to complete the modernization of three existing parking lots- one new parking lot with the removal of existing paving, installation of new reinforced and pervious concrete parking and base, adjacent sidewalks, accessible parking ramps, accessible signage, drainage upgrades and all associated work. The other two parking lots to be modernized by removing and replacing damaged asphalt, repairing cracks and pot-holes in existing parking lot asphalt concrete paving, slurry seal coat, parking striping to match existing, drainage upgrades and all associated work at the Harbor Hills housing development located at 26607 S. Western Avenue, in the City of Lomita.

#### A. Newspaper Advertising

Announcements appeared in the following local newspaper:

Dodge Construction News/Green Sheet

An announcement was also posted on the County and CDC websites.

#### B. <u>Distribution of Bid Packages</u>

The Housing Authority's vendor list was used to mail out Invitations for Bids to 630 contractors, of which 445 identified themselves as businesses owned by minorities or women (private firms which are 60 percent owned by minorities or women, or publicly-owned businesses in which 56 percent of the stock is owned by minorities or women). As a result of the outreach, seven packages were requested and distributed.

#### C. Pre-Bid Conference and Site Walk

On May 10, 2011, a mandatory pre-bid conference and site walk was conducted. Eight firms were in attendance.

#### D. Bid Results

On May 31, 2011, a total of two bids were received and publicly opened. The bid result was as follows:

| Company            | Bid Amount   |  |
|--------------------|--------------|--|
| Amtek Construction | \$513,279.20 |  |
| MI Construction    | \$613.978.00 |  |

#### E. Minority/Female Participation - Selected Contractor

| Name   | Ownership    | Employees  |
|--|--------------|--|
| Amtek Construction   | Non-Minority | Total: 10<br>10 minorities<br>3 women<br>100% minorities<br>30% women  |
| Jazowski & Markel Contractors, Inc<br>(Pervious concrete Sub-contractor) |              | Total: 158<br>127 minorities<br>11 women<br>80% minorities<br>7% women |

#### F. Minority/Women Participation - Firms Not Selected

| Name            | Ownership    | Employ | <u>ees</u> |
|-----------------|--------------|--------|------------|
| ML Construction | Non-Minority | Total: | 7          |
|                 |              | 2      | minorities |
|                 |              | 2      | women      |
|                 |              | 28%    | minorities |
|                 |              | 28%    | women      |

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

#### ATTACHMENT B

#### Contract Summary

Project Name: Harbor Hills Housing Development Modernization of Parking Lots

Phase III

Location: 26607 S. Western Ave., Lomita, CA 90717

Bid Number: CDC11-151 Bid Date: May 31, 2011

Contractor: Amtek Construction

Services: Modernization of three existing parking lots, adjacent sidewalks and

all associated work

**Contract Documents:** Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

Notice to Proceed and Completion: The work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within One hundred Twenty (120) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of Five Hundred Dollars and Zero Cents (\$500.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of Five Hundred Thirteen Thousand Two Hundred Seventy Nine Dollars and Zero Cents (\$513,279). The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: \$51,327

## HARBOR HILLS PARKING LOTS 500, 600, 700 - PHASE III



 Lot 500 - asphalt concrete parking lot to be demolished and pervious concrete pavement to be constructed.



(2) Lot 500 - shows existing asphalt deterioration.

## HARBOR HILLS PARKING LOTS 500, 600, 700 - PHASE III



(3) Lot 600 - asphalt concrete parking lot to be repaired and slurry sealed finish.



(4) Lot 600 - accessible parking does not meet current Code and ADA requirements. Notice floor slope should be flat where car parks.

## HARBOR HILLS PARKING LOTS 500, 600, 700 - PHASE III



(5) Lot 700 - asphalt concrete parking lot to be repaired and slurry sealed



(6) Lot 700 - shows existing asphalt deterioration.



# HOUSING AUTHORITY of the County of Los Angeles

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Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich Commissioners

Sean Rogan Executive Director

June 22, 2011

Honorable Housing Commissioners Housing Authority of the County of Los Angeles 2 S Coral Circle Monterey Park, California 91755

Dear Commissioners:

#### APPROVE SERVICE CONTRACT FOR WIRELESS BROADBAND SERVICES AT THE HARBOR HILLS HOUSING DEVELOPMENT (DISTRICT 4)

#### SUBJECT

This letter recommends approval of a Service Contract (Contract) with One Economy Corporation, a non-profit organization, to construct, install and maintain a shared wireless mesh internet network system that will provide internet access to the public housing residents at the Harbor Hills housing development, located at 26607 S. Western Avenue in the City of Lomita.

#### IT IS RECOMMENDED THAT YOUR COMMISSION:

- Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a Contract with One Economy Corporation, to design, install, and provide network monitoring and maintenance of the system for a term of five years at the sole cost and expense of One Economy Corporation.
- Recommend that the Board of Commissioners authorize the Executive Director or his designee to approve a Contract with limited warranty and limitation of liability language, which will allow One Economy Corporation, a non-profit organization, to establish broadband availability, affordability and adoption at the Harbor Hills housing development.
- Recommend that the Board of Commissioners find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).



#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve a Contract with limited warranty and limitation of liability language that will allow One Economy Corporation to construct, install, and maintain a shared wireless mesh internet network system that will provide internet access to the public housing residents at the Harbor Hills housing development.

#### FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Internet network system and maintenance will be provided to the Housing Authority at no cost for a period of five years.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

One Economy Corporation applied for and was awarded a grant from the United States Department of Commerce in 2010, under the Broadband Technology Opportunity Program (BTOP). As a part of the American Reinvestment and Recovery Act (ARRA), the internet network system and maintenance will be provided to the Housing Authority at no cost for a period of five years.

One Economy Corporation is partnering with Public Housing Authorities and other owners of affordable housing across the United States. One Economy Corporation has worked with more than fifty communities to build digital inclusion programs; this system is a proven model for enabling low-income people to adopt technology and the internet into their daily lives. Through broadband availability and affordability, Housing Authority residents will become empowered to take the steps necessary to improve their lives. Internet access will raise their standard of living and connect them to the economic mainstream, through greater access to financial, education, job, health and informational services.

As part of this One Economy Corporation BTOP grant, internet access will be provided to 301 household units at the Harbor Hills housing development at no cost to the resident for two years. In the final three years of this Contract, internet access will be offered to each household unit at the low cost of \$10 per month.

One Economy, a non-profit entity, has requested that the following limited warranty and limitation of liability language be included in the contract agreement.

"The Services are provided on a "best efforts" basis only, with no guaranty of availability. No other warranties, either express or implied, are given by Contractor, and any and all such warranties are hereby disclaimed. All implied warranties including any warranty of merchant ability and fitness for a particular fitness for a particular purpose, are hereby disclaimed. No oral or written information or advice given by Contractor or its employees

shall create a warranty or make any modification, extension, or addition to this warranty."

"Notwithstanding any provision in this contract to the contrary, Contractor will not be liable for any loss or damaged sustained by Housing Authority or any user of the Services as a result of any discontinuance or interruption of Services. In no event will Contractor be liable to the Housing Authority or to any third parties for any damages or injuries including loss of profits, or other indirect, special, incidental, or consequential damages of any kind in connection with or arising out of this agreement. The foregoing limitation shall apply whether any such damages are alleged as a breach of contract or tortuous conduct, including negligence, and even if Contractor has been advised of the possibility of such damages."

Although this limits One Economy's warranty and liability, thereby creating some risk and potential exposure for the Housing Authority, the Housing Authority's Risk Manager, in consultation with County Counsel, has approved the language in light of the much needed services and the resulting benefit to the public housing residents.

#### **ENVIRONMENTAL DOCUMENTATION**

Pursuant to 24 Code of Federal Regulation, Part 58, Section 58.35 (a)(3)(ii), this project is excluded from the National Environmental Policy Act because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

#### IMPACT ON CURRENT PROJECT

The wireless network system provided by One Economy Corporation will allow residents greater access to financial, education, job, health and information services. Through broadband availability and affordability, Harbor Hills housing development residents will become empowered to take the steps necessary to improve their lives. Internet access for residents will raise their standard of living and further connect them to the economic mainstream.

Respectfully submitted.

SEAN ROGAN
Executive Director